FOREIGN AFFAIRS

AN AMERICAN QVARTERLY REVIEW

APRIL
1938

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The Editors.

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FOREIGN AFFAIRS

Vol. 16 APRIL 1938 No. 3

REFUGEES: A WORLD PROBLEM

By Dorothy Thompson

AS I write this article the news from Europe is distressing in the extreme. Hitler is in Vienna. Central Europe is in turmoil, as every small state of the Danubian Basin feels the increasing pressure of Nazidom. Great Britain, and, following her leadership, France, are considering whether — and if so how — to protect Czechoslovakia, and whether — and if so how — to save even a modified League of Nations. The Soviet system seems in a state of serious disintegration. The war in Spain continues, to what final dénouement we cannot yet foresee. But one thing is certain: these chaotic situations cannot fail to add to a problem which is already a world headache — the problem of dispossessed racial and political minorities.

If one side or the other wins the Spanish civil war there will immediately be a forced emigration of political refugees. Every indication from Spain, too, is that both sides are beginning to wish to rid themselves of foreigners, and not all of them can return to the places from which they came. In Germany, more and more Jews are being deprived of the means to continue living in the homes they have had for centuries, while the situation of many Christians, both Protestant and Catholic, is, to say the least, precarious. Austria has lost her struggle for independence. The victory of the Nazis there creates a vast new problem of refugees — of Jews, of partisans of Dollfuss and Schuschnigg, of still surviving liberals, of proponents of a Hapsburg restoration, and probably also of Catholics. Rumania is experimenting with anti-Semitic laws; the Jewish question in Poland has been acute for some years.

In the Danubian Basin alone — in Austria, Czechoslovakia, Rumania, Hungary and Jugoslavia — live some two million Jews. There are over three million more in Poland. And these figures

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do not include Christian converts, or men, women and children of part Jewish blood who under the German Nuremberg laws are assigned to the Jewish community. Austria has many such. There also are many in Czechoslovakia and Hungary. If any more countries fall under Nazi domination, or come under Nazi influence, a further growth of anti-Semitism will hardly be avoided. Even if they sheer away from an "Aryan program" because it is German-Aryanism — and most of these peoples are not Germans at all, but Slavs, or Magyars, or of mixed races other than Jewish; even if King Carol of Rumania proceeds more slowly with his anti-Semitic program than his unfortunate late prime minister, Mr. Goga; even if a Nazified Austria or a partly-Nazified Czechoslovakia should adopt only an attenuated form of anti-Semitism, millions of Jews nevertheless are in danger of becoming pariahs. And at least a part of them will make every effort to leave their homes to escape starvation.

Already there are some four million people in the world who are "men without a country." The list is by no means exclusively Jewish, although the Jews have suffered most, suffered on two counts: because of their race, and the rise of nationalism and racialism; and because, by and large, they have been political liberals. The twentieth century revolutions have set loose an unprecedented migration which includes people of every race and every social class, every trade and every profession: Russian aristocrats and, more lately, Russian technicians; Italian liberal professors and Austrian Socialist workmen; German individualists of any and every stripe; monarchists in republics and republicans in monarchies; priests and radicals; artists and laborers; capitalists and anti-capitalists; the flower of the prosperous Jewish bourgeoisie and the inhabitants of East European half-ghettos; non-conformists of every race and every social, religious and political viewpoint.

The possibility that this number is to be augmented within the immediate future is undeniable. To close one's eyes to it would be "ostrichism" in an acute form. And realism demands that one must contemplate the fact with more than a horrified humanitarianism. This twentieth century migration of peoples occurs in a world where there is a new, even if temporary, downward swing in the business cycle; in which many countries have serious unemployment problems which private enterprise alone has been unable to solve; in which every country has erected strong barriers

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against immigration, whether in the form of quotas or the requirement of work permits which foreigners are in practice unable to obtain; in which the government policy of exclusion is supported or even made more rigorous by trade union demands.

This chaotic migration has added prodigiously to world unrest, and not least in those countries which are trying to work out the problems of the modern state along democratic and constitutional lines. The fear of a wave of unselective immigration leads such states to accept a more extreme nationalism than they would otherwise consider desirable. This in turn increases internal tensions. So it is that we must record the growth of anti-Semitism in countries which never before were conscious of having a "Jewish problem," and where, prior to the past five years, the Jews were satisfactorily assimilated to the whole society. The growth must be regarded with alarm, not only for humanitarian reasons but because it contains in itself a germ destructive of the essential principles of democratic society, of any society based on principles other than those of primitive racialism. There is, for instance, no possible ethnic or racial basis on which the American idea can ever be realized. To introduce any such factor is to assault the very foundations of American democracy.

If the present strong currents of migration continue to push anarchically upon those states still open to immigrants; if it is now further to be horribly augmented; if it is not consciously directed; if assistance is not furnished to immigrants so that they are sure not to become a burden upon their hosts, and instead can be turned into definite economic assets — then there is a catastrophe ahead for more than the immigrants and the would-be immigrants. Until now the problem has been largely regarded as one of international charity. It must now be regarded as a problem of international politics. The immigrants need a diplomatic service, and the world situation requires that they be given one. What is required is the establishment of a body of such outstanding leadership, such expert personnel, and such strong financial support that it will command universal respect and be beyond all question competent to deal with the problem in all its phases — diplomatic, financial, economic, legal — and to act as a clearing house or "holding company" for the existing voluntary organizations which are already handling — in many cases admirably — certain parts of the problem. Inasmuch as Jews are and will be in the largest degree the victims of enforced emigra-

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tion, the existing Jewish organizations must in particular continue and increase their work. But that is not enough. Their contribution ought to be made inside the framework of a more comprehensive body devoted to studying all aspects of the general question of mass migrations, and to seeking, by every diplomatic means, ways of alleviating the present problem and of preventing it from being augmented.

There is at present no agency in the world which is handling the problem of political exiles in a comprehensive way. There are, however, three institutions which might be developed into such an agency. One is the International Labor Office, which has the advantage of American membership. Another is the Nansen Office, an agency of the League of Nations. And the third is the office of the "High Commissioner for Refugees Coming from Germany," which is only loosely attached to the League. Neither of the latter has ever been authorized to consider or deal with the whole question of political and racial exiles. The situation is made immediately acute by the fact that both these agencies expire on December 31 of the present year, and that suggestions for the continuation or extension of their activities must be submitted to the League of Nations before May 15. Thus if any step is to be taken to deal with the refugee problem on the scale required it should be done at once.

The moment is not politically inopportune. The very urgency of the European crisis provides arguments for such an agency. An attempt is about to be made to settle the most acute differences between the dictatorial and the democratic Powers. That attempt implies some sort of compromise on all sides if it is to have any chances of success.

II

I have said that there is no agency competent to deal with the whole refugee problem in a comprehensive way, and that the agencies that do exist are threatened with extinction.

The office of the "High Commissioner for Refugees Coming from Germany" (now Sir Neill Malcolm) was set up as an autonomous organization loosely attached to the League of Nations. The High Commissioner is authorized to try to safeguard the German refugees who have already emigrated but have not yet found permanent homes. A useful step was taken under his auspices in the international convention concerning the status of

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refugees coming from Germany, signed at Geneva on February 10 last by the representatives of 11 states, and now awaiting ratification. But the categories of émigrés covered in this convention are very limited; and of course neither the High Commissioner nor any other existing agency is competent to study the case of Jews who are still living in Germany but may sooner or later be compelled to emigrate.

The Nansen Office, firmly integrated with the League, has great experience and has acquired great prestige in solving problems created by racial intolerance. Between 1921 and 1928, the man whose name the office bears was instrumental in helping more than two million people — White Russians, Rumanians, Bulgarians and Greeks — to find new homes. But as it is now constituted the Nansen Office is competent to protect the interests only of Russian, Armenian, Assyrian, Assyro-Chaldean, Turkish and Saar refugees. It was advocated by Countess Waldeck in the April 1937 issue of this magazine that the League extend the competence of the Nansen Office to include all who have been or may be compelled by racial and political intolerance to emigrate from their homelands.

On several scores the development of the Nansen Office into a world-wide refugee organization would seem the ideal solution of the problem. First, because it has such experience and prestige and because its present head, Judge Hansson, a Norwegian, is a worthy successor of Dr. Nansen. Second, because an organization with jurisdiction over all refugees would be non-sectarian; and circles interested in the problem of Jewish refugees are very much in favor of an agency with a non-sectarian basis. Third, because the political prestige of the League of Nations, now so badly damaged, would be strengthened if it could promote such a piece of work with new energy and vision. But there may be insurmountable obstacles. In order to enlarge the jurisdiction of the Nansen Office a unanimous resolution of the League Council would be required. Prolongation of the life of the Nansen Office is already being fought by Soviet Russia because of the fact that it looks after the interests of White Russians, who are considered enemies of the Soviet state. The idea of broadening the jurisdiction of the Nansen Office would in all probability meet with additional opposition from the Rumanian and Polish Governments, due to their fear that such action might involve greater interference by the League in their domestic affairs. In view of

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these antagonisms, it is questionable whether favorable action to prolong the Nansen Office could be secured from the League within a reasonable time. Moreover, it is doubtful whether countries not members of the League, such as Germany, would have any dealings with an organization belonging directly to it.

Therefore it would seem more expedient to concentrate the handling of the Jewish problem in some new organ not a part of the League, though perhaps brought into being as a result of its efforts or the efforts of the International Labor Office. The new organization should be put on a non-sectarian basis, as it would handle the affairs not of Jews only but of persecuted non-Aryans who are Christians as well, as also of all other groups of refugees — for example those who for political or religious reasons may be compelled to leave Spain at the end of the civil war.

The direction of the proposed work should be placed in the hands of personages of international reputation. The necessary financial support would have to be found for the new organization, and the various private bodies now attempting to alleviate the lot of the refugees should subordinate their activities to it. Headquarters should be established in Geneva or some other convenient center, and, as rapidly as possible, offices of representatives should be opened, in accordance with a prearranged plan, in such capitals as Berlin, Warsaw and Bucharest. Scientific studies would have to be made of opportunities for land settlement in various regions still not greatly developed (*e.g.* in Latin America, Africa, the Soviet Far East, etc.).[1] The machinery developed would have to be sufficiently elastic to secure the cooperation of all countries which are now receptive or might be persuaded to become receptive to Jewish immigration. Quite understandably, Jewish circles in America and elsewhere would not be enthusiastic about any plan which would seem to present the anti-Semitic governments with an easy opportunity of getting rid of their Jews, or which would give other governments the notion that they too could follow suit. But the present emergency does not offer the possibility of choosing between one entirely satisfactory path and another entirely unsatisfactory one. Diplomacy and realism must be given a chance. The best that can be hoped is that if this is done the fate of the persecuted can be softened by compromise.

[1] *Cf.* "Limits of Land Settlement," prepared under the direction of Isaiah Bowman. New York: Council on Foreign Relations, 1937.

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Obviously the essential condition to any progress with the major aspect of the problem would be to set up some bridge between the anti-Semitic countries containing considerable Jewish populations and the countries that may be ready to receive them. Therefore the new organization must be able to submit to the anti-Semitic governments practical plans for the removal of such Jews as must emigrate, and to the receptive countries plans for using the newcomers in constructive economic work. Capital would of course be necessary. The successful experiment with financing the tremendous forced migration of Greeks from Anatolia and settling them in Macedonia and Thrace in the years 1922–24 shows that the human mind, given international good will and political support, can accomplish seeming miracles.[2] One of Dr. Nansen's co-workers, a man of immense experience in handling problems of mass settlement, has indicated that it is perfectly possible today to raise the capital required, especially that needed for dealing with the German Jews. It is not within the scope of this article, or the knowledge of its author, to discuss the details of this scheme. But in general it seems feasible. There is a great deal of Jewish money in Germany itself. Jews inside and outside of the country have many hundreds of millions of marks frozen there. At present this money cannot be transferred abroad, or can be transferred only at the cost of enormous losses. Possibly, however, it could be used to finance the emigration and re-settlement abroad of many German Jews, and especially of those who are still young enough to be trained for different forms of economic activity in a new world. The money in question would be used to pay for the emigrant's transportation to his new home and for the purchase of machinery, tools, waterworks, etc., for the development of the new Jewish communities. Jews who would turn over their frozen marks to the authorized agency would at the least receive as much as they could get by any other method of liquidation; and on the other hand, the plan would give opportunities for profit to German transportation companies and industries, while the country receiving the immigrants would acquire vast new resources.

We ought not to view the problem, complicated as it is, in a spirit of defeatism. Even the anti-Semitic governments are

[2] For details regarding the Protocol setting up the Refugee Settlement Commission, and for an account of the Commission's work, see Charles P. Howland: "Greece and Her Refugees," FOREIGN AFFAIRS, v. 4, no. 4.

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conscious that their anti-Semitism creates internal problems for them. The recent extension in Germany of the anti-Jewish regulations carries its own boomerang. One Jew out of five in Germany was already on relief, but there were still a sufficient number of Jews in business life, possessed of a sufficient spirit of humanity toward their own race, to support an impressive charity. But the new regulations will strangle the Jewish business community, cut off more Jews from the possibility of making a living, and dry up the fount of German-Jewish charity. A great number of people starving in the midst of any community is neither economically nor politically attractive. Only through some such organization as the one here proposed can the anti-Semitic governments hope to work out or compromise the problems they have themselves created.

On the other hand, the governments controlling relatively empty territories which now do not welcome miscellaneous immigrants might well change their attitude if the immigrants are carefully selected and equipped in advance to become self-supporting and productive citizens. There are many countries and colonial regions which will need — if they are to make the most of their potentialities — to augment their populations gradually for many decades to come. They do not object to immigrants as such, but fear lest they may become public charges or turn out to be politically troublesome. A responsible organization would see to it that the settlers sent out were reliable and were physically and financially prepared to aid in the industrial and agricultural development of their new homelands.

Jews and Christians alike are forced to contemplate the fact that when, with one sweeping gesture, the Nazi leader of Germany outlawed the relatively small Jewish population of his country he declared a war in which the Jews of the whole world became potential victims of aggression. Both Jews and Christians must face the fact that the stand he took is unacceptable to those who profess western principles of democratic law and order. Both Jews and Christians therefore must collaborate to prevent the problem which Hitler created from gathering force as it rolls along.

III

There have been anti-Semitic movements in the world before. Polish and Russian pogroms under the Tsar are alive in the memories of many. But the Jewish persecution of our era is

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peculiar. It is not directed against the ghetto Jew alone, but against the Jewish race as such — against the Jew who has retained his religion and against the Jew who has discarded it.

Throughout the Middle Ages and until the Russian pogroms of the nineteenth century, the Jews, when persecution overtook them, were in the ghetto. There they lived wrapped up in themselves, firmly entrenched in a civilization of their own — a religious civilization. When an acquisitive prince, a fanatic priest, a malcontent mob decided to take the money of the Jews, to punish them as heretics, to ransack their homes, they still had a refuge in their very Jewishness. Even when wandering the world they still enjoyed their own civilization — the worship of their God. Wherever ten male Jews gathered, there was the temple.

The assimilated German Jews outlawed by Hitler had no separate civilization of their own to fall back on. The doors of the ghetto had been opened one hundred and twenty-five years ago. Religion, if these assimilated Jews practised it at all, played in their lives the subdued rôle it plays in the lives of most of their Christian contemporaries. Religion was no longer their civilization. They felt so little Jewish that they had lost all sense of danger. To be sure, Dr. Adolf Stoecker in Berlin and Georg von Schoenerer in Vienna did their level best to stir up anti-Semitism in the eighties. The *Affaire Dreyfus* brought along a wave of anti-Semitism in the nineties. But these movements were limited. While they did not die down altogether, they were neither officially adopted by governments nor backed up by feeling in the broad masses. Still less were they backed by the upper classes. While Jews could not become officers in the German Army and rarely could hold government posts under the monarchy, the Kaiser himself had personal friends among Jewish industrialists and bankers and favored marriages between German aristocrats and the daughters of wealthy Jews.

The German Jews were Germans. The only civilization they knew was the civilization they shared with the German nation. When Hitler's laws denied them this civilization they found themselves in a moral and cultural void. And there was no way out. The aristocrat of the French Revolution could save himself by becoming a *citoyen*. The Russian bourgeois could save himself by becoming a *tovaritch*. The German Jew can never become an Aryan.

So far there has been no census of non-Aryans in Germany.

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The 1933 figure of 550,000 German Jews, of whom 150,000 have so far emigrated, covers only the 100-percent Jews of the Jewish community. It does not even cover the 100-percent Jews who are baptized, nor, it goes without saying, Christians who have 75-percent, 50-percent, 25-percent or 12½-percent Jewish blood. These non-Aryans are estimated at between one and a half million and three millions. Among them are many German aristocrats and the flower of the German bourgeoisie. The reason for this gap between minimum and maximum estimates is largely that the exact point where Aryanism ends and non-Aryanism begins has not yet been established. Up to now Aryanism has been determined not so much by law as by party decisions and by circumstances. Thus a publisher must prove his Aryan descent way back to the year 1800 — that is, to his great-grandparents — whereas a journalist has to prove only that his grandparents were Aryans. In other words, the Aryan laws are still fluid. The radical wing of the Nazi Party is all for a general extension of the *Ahnenbeweis* back to 1800; and it now seems that this will be done.

According to the present Aryan laws, the 50-percent Jews enjoy certain advantages compared to 100-percent Jews. But these advantages are merely on paper. For instance, the law does not forbid marriages between 50-percent Jews and Aryans provided the government gives the permission; but no case is known where such permission has been granted. Both full-blooded and half-blooded Jews are excluded from schools and universities, from the Labor Front, and from the *Reichsorganisation*, membership in which is obligatory for all who wish to practise a trade. In education and professional life the half-Jew is almost as badly off as the full-blooded Jew. It is different with the 25-percent Jew. Theoretically he has the choice between "passing," by marrying an Aryan, or becoming Jewish by marrying a Jew. But actually either is very difficult. The writer knows of a case of two 25-percent Jewish daughters of a great scientist; the government withheld permission from one to marry her Nazi fiancé, from the other to marry her Jewish fiancé. The 25-percent Jew cannot hold government posts nor become an officer; on the other hand, in economic life he is as good as an Aryan. But even this can be changed from one day to the next by a party decision.

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IV

In the first years after the promulgation of Hitler's anti-Semitic policies in Germany, most of the efforts of world Jewry to direct the flood of Jewish emigration from Germany centered on Palestine. Even the Jews who had been skeptical about the success of the "Jewish Homeland," and who had with some justification been afraid that the existence of a Jewish national state might be made a pretext for casting suspicion upon the loyalty of Jews everywhere toward the nations in which they were the citizens, were happy that here some of the persecuted German Jews could find a refuge. Between 1933 and 1937, 40,000 German Jews emigrated to Palestine, which brought the total of the Jewish population there up to 400,000 as against an Arab population of 942,000. But a coincident growth in Arab hostility, culminating in a guerrilla war, made it evident that the abrupt rise of Jewish immigration since 1933 had produced a crisis in which the whole question of the Jewish Homeland would have to be reconsidered.

In the summer of 1937 a British Royal Commission decided that the Arab claim to self-government and the secure establishment of a Jewish National Home in Palestine were incompatible. It reported that the mandate was unworkable, and that the only solution was the partition of Palestine, by which the Jews would be left merely a tiny country of their own. The pros and cons of this plan of partition have already been discussed in recent issues of this magazine. No decision has yet been made. But the British Government has announced that in view of the ending of the present mandate and the substitution of a new one, Jewish immigration would be allowed to continue at a rate not in any circumstances exceeding the annual figure of 12,000 suggested by the Royal Commission. Whatever the final outcome — whether the partition plan goes through and a diminutive Jewish state is founded, or Jews are allowed to settle in an undivided Palestine until they constitute a minority of 35 or even 40 percent of the total population — one thing is sure: all hopes of anything like Jewish mass emigration to Palestine have to be buried. And while the Arabs may not succeed in stopping Jewish immigration altogether, we must assume that it will not exceed the present 12,000 a year, a figure which of course is utterly inadequate to solve the Jewish problem of Germany and Eastern Europe in the present emergency. The fiery nationalism of the Arabs is mean-

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while growing more and more aggressive. We must face the fact that Palestine has become more of a danger-spot than a homeland for the Jews — even for those who have already settled there.

Since Palestine has ceased to exist as an outlet for Jewish emigration, and since National Socialism is deluging Eastern Europe with anti-Semitic propaganda, Jewish persecution must be considered a major question of international politics. The challenge is one which the Jews of the whole world must face — and above all the Jews of America, who constitute one-fourth of world Jewry. It is a challenge, moreover, to the prescience and common sense of any minority or racial or religious group which has ever known persecution or discrimination anywhere in the past; for if these do not protest the abuse of other minorities now, what moral grounds will they have for protesting if once again their own rights are threatened? But it is, even more importantly, a challenge to all responsible political circles, not only to those who condemn persecution for humanitarian reasons but also to those who, taking a purely practical view, fear that starving minorities within the anti-Semitic countries and an uncontrolled flow of wandering Jews outside will add further elements of unrest to an already restless world. Nor can the anti-Semitic governments themselves be indifferent: for in the long run — though they may find it gratifying to have the Jews "liquidated" — it is uncomfortable to have in one's midst a body of desperate pariahs.

Up to now none of these categories has made an attempt to achieve a constructive solution. The German Government looks on while a problem is growing up for which mass starvation seems hardly a solution. The responsible political circles in the world find it too ticklish a problem to tackle because it may imply interference in the internal affairs of the various countries and also because they are afraid that to raise the question of emigration might produce anti-Semitism in their own respective countries. As for the Jews of the world, they made a few gestures of understandable but ineffective protest against Nazi Germany — the boycott the strongest. But the boycott did not substantially weaken the Nazis economically and in any case did not soften their anti-Semitic policy. Instead, the boycott acted as a boomerang against the boycotting Jews in the democratic countries, by awakening anti-Semitism among non-Jews who wanted to do business with Germany, Nazi or not. In addition, the Jews practised a magnificently generous philanthropy. They placed huge

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sums at the disposal of the Jewish organizations which were helping German Jews — 150,000 of them — to get out of Germany and to find a refuge elsewhere, temporary or permanent. They now must help plan a broader program — securing, incidentally, the collaboration of distinguished Jews who so far have stood aloof from problems immediately connected with their race.

As anti-Semitic policies spread through Europe it becomes clearer and clearer that charity is not enough. The problem, it should be repeated, must be regarded and treated as one of international politics. The only approach to a solution must be a political approach. And, as things are at present, it can be made only by an organization headed by outstanding personalities of the democratic world, with the full collaboration of Jewish organizations everywhere, and enjoying the sympathetic collaboration and support of the democratic governments. Such an organization would be listened to both by the anti-Semitic governments and by governments that need well-equipped and politically reliable settlers to develop their empty lands.

To find by this, or any other method, a "solution" for the problems which have been created by revolution, civil war, political and racial persecutions, arbitrary decrees repealing guaranteed civil rights, and propaganda subsidized and carried on by powerful governments, is neither our expectation nor even our hope. In particular, the historic Jewish problem will not suddenly be solved. In the long run it will never be solved by emigration. What can be hoped now is that it will be mitigated, by helping some Jews to emigrate from the anti-Semitic countries and by improving the lot of those who stay. The attempt must be made, if only as a testimony to the vitality of our faith in the democratic principles which we profess to live by. On those principles our institutions are founded, and with them are integrated the fundamental concepts of our civilization. Therefore, the attempt must be made not out of pity for the exiles, actual and potential, but as a reaffirmation of our own beliefs, lest they become hollow dogmas to which, eventually, not even lip service will be given anywhere.

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ALTERNATIVE AMERICAN POLICIES IN THE FAR EAST

By Tyler Dennett

THE *Panay* incident is closed. The Secretary of State accepted from Japan an apology, somewhat evasive but less so than any ever before offered by that country to a foreign Power. The apology was coupled with some face-saving falsehoods which every one recognized as such and which were not allowed to pass unchallenged. But the incident is closed and with it another chapter of our Far Eastern policy. With far less provocation, the United States has in other days resorted to hostilities in a dozen places in the Caribbean area and in the Far East. But at this moment the American people were pacifist by a large majority. There can be no doubt that the handling of the *Panay* affair won for the President and the Secretary of State very nearly unanimous approval. However, the United States still has economic and political relations with the Far East. The Sino-Japanese war still continues. And other incidents are certainly possible; some think them probable.

Many people both here and abroad have been wondering for twenty years whether a war between Japan and the United States can, in fact, eventually be escaped. The *Panay* incident, even though closed like the sinking of the *Lusitania*, makes the idea of such a war almost plausible. No Japanese statesman, civilian or military, should be deceived by the pacifistic tone of American sentiment in the closing months of 1937. Public opinion in a democracy is liable to a flip-flop overnight. Japan is nearer to war with the United States than she ever was before. To start it, only one or two new *Panay* affairs would be necessary, or perhaps an attack similar to that visited upon the British Ambassador to China last summer. Anyone who lived through, or has studied carefully, the period from the invasion of Belgium in August 1914 to Germany's resumption of unrestricted submarine warfare in January 1917 knows the wide swings of which American public opinion is capable.

A new chapter is opening in Japanese-American relations. There is, or may be, still time to reconsider policy. While Japan could very easily make it impossible for even the most pacifistic administration to escape a war, it is also true that American for-

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eign policy may still be reshaped to reduce the hazard. To give sharpness of definition to the discussion, let us consider the following hypothetical question: In the event of another *Panay* affair what line shall the Department of State adopt? Shall it continue, as in December, working on the assumption that only pacific means are possible for a settlement, or shall it work from the contrary assumption that, if necessary, coercive measures may be employed? Secretary Hull, in his report to the Senate on January 8, 1938, laid down principles which might be applied either way. The general policy is, first to afford "appropriate and practicable protection" to nationals in China, and second, to support by peaceful means "orderly processes" of international relations.

The broad choice before the United States in the Far East is between non-resistance and coercion. The American Government can, in the face of continued Japanese encroachment upon American rights, make protests; appeal to reason, honor, fair dealing, and respect for treaties; and "reserve its rights." It may even withdraw from the Orient entirely. Or it may adopt any of several forms of coercion, beginning with threats and widening out through naval demonstrations and economic measures (of which there are many) to military action. The action, of whatever nature, could be independent, or it could be coöperative with other Powers, concurrent, concerted, associated or allied. Whatever the measures adopted, whatever the objective — whether narrowly to protect American lives and property, to preserve American interests, to avoid war at any cost, or more broadly to promote orderly international relations — the alternatives are essentially the same: Shall a course be adopted which, followed to the end, places the United States in economic and military conflict with Japan? Or shall the policy be one which adheres exclusively to pacific means?

Before we can profitably discuss either policy and comment upon its probable or possible consequences, we must briefly recapitulate the nature and extent of the American stake in the present war between Japan and China. It is the declared intention of Japan to interpose itself between the United States and China in practically all their direct relations. Two years ago there were slightly over 10,000 Americans in China; on January 8, 1938, the Secretary of State estimated that there were about 6,000. If Japan has her way, as many of these Americans as remain will become responsible to laws dictated by Japan and to police and military forces officered by Japanese. Presumably the economic

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conditions under which business will be transacted between the Chinese and all foreigners will be determined in Tokyo and will be such as to give Japanese competitors preferred positions. American philanthropic and missionary enterprises, which represent a capital investment of about $40,000,000, will be destroyed or so regulated and harassed that many if not most of the Americans now engaged in them will either withdraw or accept a status similar to that held by the missionaries in Korea.

There are, according to the estimate of the Secretary of Commerce in his letter of January 4, 1938, to Senator Nye, about $132,000,000 of American investments in China. To this sum may be added some $30,000,000 to cover the value of property of Americans permanently residing there, $40,000,000 of Chinese obligations held in the United States which have been in default since the World War, and the missionary and philanthropic property mentioned above. While these sums are important to the owners, they do not in the aggregate constitute a very important fraction of the total American investment abroad. Furthermore, American trade with China represents only about 3 percent of the total annual American foreign trade. It is not to be expected that this commerce will vanish if Japan succeeds in China, nor is it fair to assume that the investments will be wholly destroyed. It is reasonable to suppose, however, that the trade will be routed through Japan, as the formerly free trade with North China is already being diverted. As regards permanent capital investments, the owners will have to trust to Japanese good faith and honesty where now they look to Chinese good faith and honesty.

In short, Japan proposes to take possession of China, or most of it, greatly curtail the free market, maintain such order as she can, take over as much of the trade as she can and, for the balance, become the exclusive broker for all financial and commercial transactions. Possibly the American trade lost in China would be gained in Japan. Quite possibly the aggregate trade of China and Japan with the United States would, for a time at least, increase. The material losses to Americans could not be great, and might be negligible, even though many individuals might suffer while the changes were taking place. For whatever losses there might be, there would perhaps be some offsets. For example, the United States now has something approaching one-third of its Asiatic fleet in Chinese waters, and has for years been spending considerable sums upon naval and military establishments for the protec-

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tion of American interests there. These forces would be withdrawn from China. Thus the aggregate of American expenditure for military and naval purposes might be reduced. Some think, however, that the net effect on American military and naval policy would be to bring about an increase rather than a decrease of expenses.

To whatever direct material and spiritual losses might follow upon the changes indicated above, there would be others consequent upon the withdrawal of Americans from China. One of the main trade routes to the remainder of Asia and to the Indian Ocean passes down the China coast. This would be less secure with Japan installed in China. The opportunities for Americans to trade with the Philippines, with Borneo, with the Dutch East Indies, with British Malaya and with the South Pacific generally would at least be threatened. There could be no second thoughts, no change of mind, about American withdrawal from the Philippines. The United States would *have to* withdraw lock, stock and barrel.

The United States has, in the judgment of many students, a further and very important stake in the present war. Secretary Hull wrote to Vice President Garner on January 8, in the letter already cited: "There is a broader and much more fundamental interest — which is that orderly processes in international relationships be maintained." The allusion is to the influence which Japan's example of utter faithlessness toward treaties ever since the Manchurian adventure would have on the peaceful conduct of international relations all over the world. The question raised is whether there is not some point, short of the invasion of American territory, where the American Government, for its own protection, should apply coercion to a treaty-breaking, law-breaking Power.

The American people want peace not merely within their own borders but all over the world. In that respect Americans are not unique, although they often think they are. Every nation wants peace in the sense that it wants what it wants without fighting for it. However, allowing full measure for the undoubted humanitarianism of the American people, the question remains whether peace is best served by such pacifism as that of the Congressmen who have been introducing resolutions demanding a complete withdrawal from China, or by a show of force backed up with the determination to use it if necessary. On this question Mr.

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Hoover said on January 15, 1938, evidently with the Far Eastern situation in mind: "We should not engage ourselves to use military force in endeavor to prevent or end other people's wars." Similarly he is opposed to the use of embargoes, boycotts and any form of economic sanctions. Mr. Hoover's position is consistently pacifist as applied to the Far East, except that it omits any consideration of what the American Government ought to do in the event of another *Panay* incident or in the event that next time the Japanese airmen attack the American rather than the British Ambassador.

With the foregoing in mind let us discuss the probable or possible consequences, first of the pacifist and then of the coercivist position.

Every day that the American Government continues to maintain its military forces or its foreign service in China involves a risk. Every day that the American Government continues to assume responsibility for protecting its nationals in China is fraught with hazard. "Very well," says the pacifist, "let's get out. There is nothing to be gained by staying comparable with the losses incident to a possible war with Japan." There is no law under which the 6,000 Americans now in China can be evacuated against their will, but probably most of them would come out if the Government were to recall its soldiers, marines, naval vessels and diplomatic officers and withdraw all protection. Then no official incident could occur — although it might be observed that such a decision would in itself be an incident in the history of international relations without precedent on sea or land. Even after official withdrawal, incidents involving Americans might occur and they still might arouse public opinion.

Peace at such a price would cost what? If Japan has her way in China, she will be in the market for many years to come for capital goods, for raw materials, and for loans. (In passing, it may be suggested that as regards loans Japan now represents about the same degree of "moral risk" to bankers as does a gangster who has always paid his debts.) If Japan can secure capital, create order and develop Chinese resources, the market will blossom like the rose. Japan might become rich by the new trade, and so might some Americans. Extraterritoriality would go, but it is already on its way out. Even if the Americans were to turn to and help China defeat Japan, there would be only a brief interval before China would require the United States to surrender extraterri-

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toriality, supposing that it had not already been yielded up voluntarily. The International Settlement of Shanghai might become another Yokohama — not a very dreadful thought.

It is interesting to speculate on the future of American missionary and philanthropic enterprises in China in the event of official American withdrawal. These are now maintained by American beneficence at a level far above that at which China would have the economic ability to sustain them. Would Christianity disappear from China if American subsidies were withdrawn? It may be observed that historically Christianity has not only survived but has spread from century to century not by such elaborate organization and benevolence as has characterized the modern foreign missions program, but rather by its own indigenous inherent vitality. There are, no doubt, already more Christian converts in China than there were in Western Europe as late as the third century of the Christian era. If indigenous Christianity unaided by the West cannot survive the withdrawal of American subsidies and American military protection, its future is not very promising under any conditions. The missionaries themselves apparently do not desire protection. Many of them regard it at present as an incubus. The direct losses to Christianity consequent upon American withdrawal from China would not, in the opinion of the writer, be great.

There is also the possibility that even though the United States withdraws, Japan may crack before she has accomplished the pacification of her huge neighbor. Japan is already badly extended in a military way and her domestic economy is strained. The Chinese may lead the Japanese into a swamp which will engulf them. Such an outcome is not beyond the stretch of the imagination; many confidently expect it. If China were to win against Japan after the United States had abandoned her to her fate, the future of Sino-American relations would not be quite what they have been in the past. The man who abandons China will not have a niche in China by the side of John Hay, though it is true that the Chinese have short memories of both friends and enemies. However, it is easy to magnify the disadvantages to Americans in China which might follow a singlehanded Chinese victory.

Before examining the probable or possible effects of a policy of coercion, we must consider one further aspect of the pacifist policy. Without doubt there would be consequences to American foreign relations generally if, in the face of Japanese military pres-

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sure and insolence, the powerful American Government should pick up its nationals, its soldiers, its fleet, and run away. Could the President carry through such a policy? It would probably cost his party the next election, for while the prevailing tone of public opinion appears to be pacifistic, it is fickle. In the event of another *Panay* affair there might be a reversal of public sentiment comparable with that which followed the announcement of Germany's resumption of unrestricted submarine warfare in 1917.

Let us, however, assume for the purpose of argument that the American Government can and does abandon its interests in China for the sake of peace. The direct result might be to escape an immediate war with Japan. What the more remote results might be is less clear. Such a policy would certainly be an encouragement to the dictatorships of Russia, Germany and Italy, and, for that matter, to every land-hungry Power, big or little. We have a large degree of international anarchy now. Can one suppose that such an example of American pacifism would either restore or promote the restoration of public order? More probably it would encourage chaos such as the modern world has not yet seen.

The alternative to a pacifistic withdrawal from the Far East — "a scuttle and run policy," as Theodore Roosevelt used to call it — is some form of coercion to which the Japanese might find it prudent to yield. The forms of coercion are many. Some like to make a distinction between those which are warlike in character and those which involve "pressure short of war." Others regard this distinction as illusory.

For purposes of argument, let us first assume that the American Government, committed to some form of pressure, sets out to apply it with the firm resolution not to engage in war with Japan unless American territory is invaded. Several forms of pressure readily suggest themselves. There is the non-recognition policy, first invoked by Wilson and Bryan in 1915, and then by Hoover and Stimson at the beginning of the Manchurian affair. It has thus far proved a stuffed club, or, if one does not object to too many figures of speech, a red rag. It had no effect in 1915 and it has had none in Manchuria even when adopted by the League of Nations. This doctrine might be "implemented" by a declaration that the American Government will not permit loans to Japan to be made use of in developing non-recognized territorial gains.

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This would be very difficult to enforce and would, to be effective, involve cutting off all loans to Japan. Otherwise Japan might borrow for domestic purposes and use capital thus set free in Japan for the exploitation of China. However, if we did cut off all loans, and if the British Government would make a similar declaration and really stand pat, it is difficult to see how Japan could ever realize from its projected conquest the economic advantages which her bankers, manufacturers, and merchants have been promised.

Such a policy would be justified only by its results. If its promulgation now would make Japan stop the war, it would be a success. If it could be sustained over the years it might create a spectacle of failure which would give pause to all other Powers similarly tempted to go on the loose. On the other hand, the objections raised by A. Lawrence Lowell against the Stimson non-recognition doctrine still remain valid.[1] It establishes a no-man's land in which foreigners have practically no legal "rights." Moreover, could an implemented non-recognition policy be sustained very long? If Japan were to ignore it, were to continue her conquest, and were to succeed, there would be great pressure on Washington and on London to "stop nursing a grudge." A non-recognition policy seems valuable only as a threat.

Other forms of economic pressure comprise the boycott and the embargo. They are measures short of war, but not much short — not much shorter than the severance of diplomatic relations has usually been. Probably they would provoke almost instant retaliation by Japan, and the ensuing incidents might well lead directly into war. Furthermore, the boycott and the embargo are weapons which no political party can advocate with impunity. There is possible kudos for a president and a government which leads a fight; there is none for depriving citizens of the chance of securing a material advantage. Already Mr. Hoover, speaking to Republicans, has raised the issue. The Democrats have betrayed no desire to argue the point. A private boycott is even now in effect, applied by individuals who thus find some satisfaction for their private sense of rectitude; but its effect on American trade with Japan is and will be relatively slight, perhaps diminishing it by ten percent.

There remains one other measure short of war, though again

[1] "Manchuria, the League and the United States" by A. Lawrence Lowell. FOREIGN AFFAIRS, v. 10, no. 3, April 1932.

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not very far short, which must be examined. The United States may without further legislation move its fleet almost wholly into the Pacific; and it may by action of the present Congress hasten its program of armament. To the pacifists that would be a bitter pill; to them it would appear as the first step toward war, and in fact it might be. There would ensue an impassioned debate over the probable effect of preparedness programs, whether they make war more probable or whether they are likely to deter the potential enemy. There would be many appeals to history, though the experience of the past is far from clear. Perhaps the answer is that in the short run preparedness makes for peace and in the long run for war. Who knows? England used her huge navy effectively for a long time but in the end it did not save her from war. On the other hand, the United States did not prepare and eventually found herself in the same big war. If the United States had been prepared in 1914 the course of the World War would certainly have been different. Perhaps there would have been none. In any event the peace would have been different, but in what respects is pure guesswork. Whether preparedness increases or reduces the probability of war is still a highly speculative question.

The argument is advanced, and is worthy of very respectful consideration, that the employment of military measures short of war in the present juncture would suffice to cause Japan to pause. Probably that would be the effect — but not certainly. At any rate, it would be a mistake to undertake such a policy with any reservation expressed or implied as to what the next step would be in case the first one proved inadequate. The movement of the fleet into the Pacific, where the spring manœuvres are already being held; its retention there based on Pearl Harbor; and adoption of the naval building program now recommended by the President, should be neither advertised nor considered as a bluff. If the American people are prepared to follow through the course these actions indicate, perhaps nothing more would be required.

And what, asks the pacifist, would preparation to use military force against Japan, or eventually its actual use, accomplish? Would it settle the Far Eastern question? No. Would it result in the overthrow of militarism in Japan? What if it did, and out of the resulting revolution there came such a government as followed similar revolutions in Russia and in Germany? Would a war undertaken by the United States, prosecuted to the success which it certainly would eventually attain, restore orderly processes in

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international relations? Not wholly, but it might help; certainly it would for a long period reduce the area of the world in which a Power could do what Japan has done in the last five years. On the other hand, if the United States had to fight Japan and to conquer her, it would be left with continuing obligations in the Pacific and the Far East which would make the retention of the Philippines in 1899 look by comparison like kindergarten children playing one of Shakespeare's tragedies. The core of the political instability in the Far East is the weakness of China. Intervention by Western military force will never transmute China's weakness into strength. At best it can only relieve the pressure against China and create favorable external conditions for an internal development which in any event will require a long, long time, and which may never take place at all.

It has been suggested that some interposition of force at this time, whether for the narrow purpose of protecting American nationals or for the broader purpose of vindicating orderly international procedure, would be for China such a help as in the future to build up among the Chinese a very profitable fund of good will toward the United States. This is the gratitude argument. It flows from the fundamental assumption that nations, like individuals, are capable of moral responses. This argument is very congenial to the Wilsonian school of political thought. Woodrow Wilson ascribed to humanity, mankind and the world (synonyms apparently for people and antonyms to governments) both conscience and intelligence in their corporate responses. If that concept is correct, probably we might count on the gratitude of China. But before giving much weight to such an argument one would like to see it supported by some clear illustrations of gratitude in the past on the part of other nations. If there have been occasions where sentiment turned a decision of high policy, political or economic, either way, the writer has overlooked them. Of all nations in the world, Japan has most reason to be grateful to the United States. No, nations are never grateful, nor are corporations, nor any considerable group of people organized for corporate action. The gratitude of a nation is no more substantial than the conscience of mankind.

Of all the arguments advanced in support of a strong policy toward Japan only one appears to the writer to be very sound. Intervention in the Sino-Japanese conflict will produce no certain material advantage for Americans engaged in Far Eastern trade.

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Far from solving the Far Eastern political question it may easily muddle it still more. If the United States is to undertake a strong policy against Japan it must shape it not as intervention in the Sino-Japanese war but rather as a defense of orderly processes of international government in the Pacific, and it must confine its efforts severely to that declared purpose.

Thus far we have considered possible coercive action against Japan as an independent American policy. Some who advocate such a policy assume that at least England and perhaps also France would adopt concurrent or concerted action. The Singapore naval base is now developed to a point where England can defend it by a fleet for which she would have ships available if France and she were to agree on concerted naval arrangements in the Mediterranean. With an adequate British naval force at Singapore, and with an American naval force at the Panama Canal and around Honolulu, Japan, already deeply entangled in China and dependent on foreign trade routes for many essential supplies, could hardly fail to be impressed. Such "associated" action would in America revive many controversies and for the opposing party in the next political campaign, now without a platform, it would seem like a veritable answer to prayer. On the other hand, should Japan supply another *Panay* incident, the domestic political picture would be very different.

Those who oppose warlike measures usually resort to the extreme illustration of "sending our American boys to die in Asia." That is, of course, a possibility, though a remote one. Provided American public opinion in a war once begun could be restrained from hysteria, it would be quite feasible to fight a successful war with Japan in which no troops would be landed in any Asiatic region. There could be a naval war in which Japan would be instantly cut off from the use of all American ports and from the Panama Canal. By similar action on the part of England at Singapore, Japan would be separated from Europe except through Siberia, where the U.S.S.R. stands in the way. In the first stages of such a limited conflict, Japan could perhaps occupy most of the American territory west of Hawaii, although where she could get the men and money to do even this is not clear. To accomplish the desired result, American forces would hardly need to do more than hold the lines already indicated. That sort of a conflict might not prove immediately successful, and meanwhile the losses to British, French and American prop-

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erty in Japan and China would be heavy. But, sustained steadily and persistently, the strategy indicated could not fail to bring about Japanese withdrawal from China, and probably it would bring on revolution in Japan itself.

It is perfectly obvious that the American people are not now prepared to support a war against Japan. Nor is there any vigorous demand for the application of the Neutrality Act. On many scores the country is more sharply divided politically than in many years. Some Americans who under other circumstances might favor a stiff policy toward Japan would for the moment rather lose in the Far East all remaining American "face" than acquiesce in giving the present Administration any "war powers." They would fear that under the guise of war powers the Executive would seize other powers now obviously desired but thus far expressly withheld. The present administration could not at this moment lead a united people into war as Woodrow Wilson did in 1917.

But Japan would make a mistake to count too heavily on this situation. Nearly three years were required to bring the United States into the World War. Within three years there will be another presidential election in the United States. This fact is mentioned, not to conclude this article on a partisan note, but rather to remind the reader that we have been discussing alternative trends of policy rather than an immediate choice between peace and war. Even though a strong policy is eventually approved, it would begin not with a sudden declaration of war but rather with a series of measures short of war which would or would not prove effective as a means of avoiding war.

All that can be said for the moment is that both Japan and the United States are living dangerously, the one by a policy of ruthlessness, the other by indecision. The United States *vis-à-vis* Germany in 1916: the United States *vis-à-vis* Japan in 1937. The parallel is not complete, for whereas the Germans in 1916 might doubt that the entrance of the United States into the World War would materially change the odds, the Japanese, dependent on the United States now for supplies and later for capital, well know that war with us would be something like suicide. In view of this, the present policy of the Japanese is to be explained only on the grounds that without warrant they have assumed that under no circumstances will Americans fight. In this the Japanese are mistaken.

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The notes to Japan of Britain, France and the United States of February 6, reported to be identic and ostensibly asking for information as to Japanese naval building plans, were little less than blunt warnings. Under the London naval agreement of 1936 the three Powers were acting together to the extent of warning Japan not to provoke a naval armament race. To such concurrent action even the most consistent pacifist and the most hardened isolationist can hardly object; this is collaboration for peace. No one, however, least of all the Japanese Government, should miss the fundamental implications. These Powers, already aroused to the point of issuing a concurrent warning, also indicate a determination to go much further in the way of naval preparations if Japan does not alter her naval policy. Thus is posed again for Japan the problem which faced her in Washington in 1921.

Japan's course in the Pacific and on the mainland of Asia in the last fifteen years raises the solemn speculation whether if there had been no agreement at the Washington Conference, if each Power there represented had retained its freedom of action as to naval building and fortifications in the Pacific, if the naval preparations then projected had been carried through, Japan would ever have embarked upon the Manchurian adventure, and Japanese airmen would ever have ventured to bomb a British Ambassador or sink the *Panay* in the Yangtze River. The results of the collaboration of the Powers at the Washington Conference were at the time regarded with much satisfaction by both pacifists and isolationists. Yet as long-range peace measures the Washington treaties must now be regarded as failures. Perhaps any long-range peace measures are impracticable. Perhaps what is required is day-to-day adaptation of appropriate means to meet changing situations.

The next step for the United States would appear to be adequate preparation for a possible war in the Pacific, which now more obviously than in 1922 is not to be warded off by such measures as were adopted at the Washington Conference. The alternative policy — the pacifist policy — offers no better assurance of permanent peace in the Pacific than it did for the United States *vis-à-vis* Europe in 1914–1917.

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EASTERN EUROPE: VASSAL OR FREE?

By André Géraud
("*Pertinax*")

IN a celebrated article in *The New Europe* in 1917 Masaryk called the broad belt of Europe stretching from the Baltic to the Adriatic "the zone of the small peoples." Today that zone contains no less than 14 separate nations — Finland, Estonia, Latvia, Lithuania, Poland, Czechoslovakia, Austria, Hungary, Jugoslavia, Rumania, Bulgaria, Greece, Albania and Turkey. It is enough to recall how and where the World War began to realize what a direct bearing the situation of those peoples must always have on the question of European war or European peace. Today it holds the key also to the question: Are Britain and France to remain Great Powers?

The reason this part of Europe is so split up, so atomized, is not purely or even mainly ethnological. Here in the East the dominant empires did not fulfill the task of unification which France, England and Spain accomplished in the West. The German Holy Roman Empire, the Hapsburgs, the Hohenzollerns, the Romanovs and the Turkish Sultans stirred up the diverse ethnic groups under their rule, used them against each other, and took away from them whatever independent governmental and political structures they had previously developed. At the same time — either because they did not wish to or did not know how to — they failed to make the concessions which might gradually have led their subject peoples to forget their individualism, their particularism. Bohemia and Poland are cases in point. One finally lost its independence in the seventeenth century, the other in the eighteenth. From then on, their German and Russian rulers were free to do what they liked, even to send in German and Russian colonists. Yet when the World War broke out the souls of the Bohemian and Polish nations were found to be not merely intact but in some respects even more vigorous than ever.

Will Germany be able to do in the twentieth century what she failed to do in preceding centuries? That question is now to be settled. If once again she is able to subject the small nations of Central and Eastern Europe to her political and economic imperialism — perhaps working in conjunction with the lesser imperialisms of the Poles and the Hungarians, as before she worked

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with Austro-Hungarian imperialism — she will be in a position once again to pretend to the hegemony of Europe. "Mein Kampf" tells us that such is the intention of the present ruler of the Third Reich. If he is not deterred, if the *Drang nach Osten* is really to be resumed and pressed regardless of consequences, then I fear Europe is condemned to know again the horrors of war. For in spite of the weaknesses shown by so many French and British ministries, in spite of fluctuations in the public opinion on which they depend, it seems doubtful whether the French and British Governments will in the last analysis resign themselves to giving Germany a really free hand in Central and Eastern Europe. To do so would be to turn over to her such a preponderance of resources that in the end France and Britain would themselves become her victims. I do not predict whether they will be far-sighted and determined enough to resist this development effectively. I merely say that if they do not they will cease to exist as Great Powers.

Before risking any steps that necessarily would lead to war — a war in which, after all, Germany and Italy would not have access to the materials essential in a campaign of any length — Hitler determined to destroy the political system which had been created to maintain the territorial settlement and to restrain resurgent Pan-Germanism. Almost every diplomatic and other international political event which in recent years has figured as front-page news has actually been merely a phenomenon of this effort — to smash the complicated treaty system for maintaining peace and so open the way for extending the realm of German autarchy and reducing the two Western democracies to relative impotence.

II

Let us examine the postwar diplomatic evolution of Central and Eastern Europe for indications whether — and in what circumstances — the individual units that make up "the zone of small nations" can remain independent or whether they are destined to become a hinterland for German military and economic power.

Even in the moment of Germany's defeat, everybody who was not deceived by the ideas which gradually took material form at Geneva knew that Germany some day would seek revenge. A great historical tradition does not disappear overnight. It dis-

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solves only if it meets an insurmountable physical obstacle which in turn, and in the course of time, gives rise to a new set of ideas and feelings. Unfortunately, neither during nor after the war did the Allied and Associated Powers give the impression of possessing such a sense of unity and determination that Germany had to accept it as a lasting physical fact. The dissolution of the Allied front and the progressive deterioration of the League of Nations revived German hopes. Many persons imagine that the World War was the result of some fortuitous circumstance, the imprudence or caprice of some individual or nation. They do not understand, as they would if they knew essential European characteristics better, that the mainspring of the events of 1914 is to be found in the hegemony which the German nations were determined to exert over the Slavic nations lying to the east and southeast, and that so long as that desire persists European peace is always in jeopardy on the German-Slav frontier.

There are three distinct periods to distinguish in the diplomatic history of Central Europe since 1920. There is the period of absolute French preponderance. There is the period of the attempt to organize collective security by treaty, in which the diplomatic highlight was the Franco-Soviet agreement of May 2, 1935. There is the period of the counter-insurance treaties, of the policy of reservations and double play which began on March 7, 1936, with Hitler's unilateral decision to suppress the demilitarized zone of the Rhine.

The first period, that of French preponderance, lasted from the conclusion of the peace treaties until October 1933, that is to say, until Germany broke with the League of Nations, abandoned the Disarmament Conference and left the International Labor Organization. During these thirteen or fourteen years the French Army was superior to any other in Europe. It held the Rhine (until the summer of 1930) and by virtue of the demilitarization clauses of the Versailles Treaty knew that it could penetrate into the Rhineland without meeting any serious obstacle. It was able to immobilize the German Army and render it incapable of any action in the East. At that time, then, the only danger to the new national states of Central and Eastern Europe came from Hungary and Soviet Russia. And strong as Hungary's desire for revenge might be, she could not count on her old Germanic ally. Instead, she was obliged to look for temporary support in the direction of Italy. The latter country became revisionist with

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Mussolini's speech of June 1928, but even so was still far from breaking definitely with the Western Powers and was manœuvring to see how best to turn events to her own advantage. As for Soviet Russia, she was still in the midst of revolution and could take no action abroad. Her war with Poland in 1920 ended in disaster.

In this situation France considered the most simple measures adequate. In February 1921 she concluded a political agreement and a military convention with Poland. In January 1924 she signed a political agreement with Czechoslovakia. This agreement was equivalent to an alliance except that it did not contain provisions for coöperation by the general staffs. Despite this fact, the French military mission in Prague (directed successively by such eminent chiefs as Generals Pellé, Mittelhausser and — at the present time — Faucher) in reality exercised much more influence there than did the French mission at Warsaw, which was always at the mercy of Marshal Pilsudski's jealousy and vanity. One can indeed say that the Franco-Polish military convention of 1921 was never seriously put into effect. In 1923, when Marshal Foch went to Poland to discuss with Marshal Pilsudski what would happen if Germany attacked in the East, the only answer he could get was Pilsudski's laconic remark, repeated a dozen times: "I shall march on Moscow. As for Germany, I'll make up my mind when I am in the field."

The French Government had negotiated with Poland and Czechoslovakia because their frontiers bordered on Germany. For the same reason those states were present at the Locarno Conference in October 1925. The international system elaborated at Locarno consisted of two distinct parts: one, the Rhine agreement guaranteed by England and Italy, supported by Franco-German and German-Belgian treaties of arbitration; two, the German-Polish and German-Czechoslovak treaties of arbitration. The British and Italian Governments having evaded responsibility in the latter connection, it became necessary for the French Government to act alone, and to this end it replaced the Franco-Polish Treaty of 1921 and the Franco-Czechoslovak Treaty of 1924 by two new declarations. In accordance with these, France agreed to supply military aid to Germany's two eastern neighbors in the circumstances foreseen by Article XV (Paragraph 7) and by Article XVI of the Covenant of the League of Nations. These two articles cover all possible cases of war: disputes brought before

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the Council which the Council is unable to solve by unanimous decision; and direct and flagrant aggression launched without any preliminary efforts at peaceful settlement.

France having thus undertaken to force Germany to respect international law, all that remained for Poland and the Danubian states to do was to affirm their solidarity *vis-à-vis* Soviet Russia and Hungary. To cope with Soviet Russia, Warsaw and Bucharest first signed a limited agreement in 1921, and then a broader agreement on March 26, 1926, "within the framework of the Covenant of the League of Nations," whereby they undertook "to respect and preserve against external aggression the territorial integrity and existing political independence of the other." Further, following the French example of the year before, they defined their mutual obligations under Articles XV and XVI of the Covenant. They in addition provided for coöperation between the Polish and Rumanian general staffs, and also (Article V) that "neither of the High Contracting Parties shall be at liberty to conclude an alliance with a third Power without having previously consulted the other Party."

Hungary was dealt with in three treaties of alliance signed in 1920 and 1921 between Czechoslovakia, Rumania and Jugoslavia, the three states constituting the "Little Entente" — a title invented by the Hungarians themselves at the Peace Conference in mockery of the efforts which the three states in question were making to achieve solidity under French and British auspices. Two by two, the three signatories promised each other aid and assistance against any unprovoked Hungarian attack. It was expressly stated that the "competent Technical Authorities . . . shall decide, by mutual agreement, upon the provisions necessary for the execution of the present Convention," and that none of the "High Contracting Parties shall conclude an alliance with a third Power without preliminary notice to the other." The object defined in the preamble was a large one: the maintenance not only of the peace "obtained by so many sacrifices, and provided for by the Covenant of the League of Nations," but also "the situation created by the Treaty concluded at Trianon on June 4, 1920."

In other words, Poland and Rumania undertook to hold Soviet Russia within her own borders, while Czechoslovakia, Rumania and Jugoslavia barred the road to Hungarian revenge. France entered into direct treaties of alliance only with Poland and

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Czechoslovakia. To Rumania and Jugoslavia she was bound merely by the treaties of consultation and coöperation of June 10, 1926, and November 11, 1927, respectively.

The arrangement was full of holes. The Little Entente was not operative against Germany, Italy or Bulgaria. Poland, though Rumania's ally, always nourished a predilection for Hungary and never ratified the Trianon Treaty. Czechoslovakia was not committed as regards Russia. The question of Austria's independence was ignored; when Czechoslovakia responded in 1922 to Monsignor Seipel's desperate appeal and contributed toward his country's financial rescue she did so of her own initiative. Each hoped that in the hour of need France would intervene. All regarded her as an ally, even though the measure of her intervention had not been defined. France and the League of Nations! M. Beneš, Czechoslovak Minister for Foreign Affairs, was one of the two draftsmen in 1924 of the famous Protocol which was to remedy all the League's defects and solve whatever problems of interpretation might paralyze the execution of the Covenant. The friendship between him and the two other Little Entente Ministers, M. Marinkovitch and M. Titulescu, seemed so close that nobody dared suggest that, come good times or bad, the three governments were not bound together for all eternity. Yet it was plain for anyone who cared to see that if Germany could succeed in breaking one of the partnerships the other two would break also.

III

In 1933 the European order based upon the absolute preponderance of France began rapidly to weaken. The French troops on the Rhine had been withdrawn in June 1930. In 1932 at Lausanne the reparations question had been eliminated from further diplomatic controversy. All international control of German military activities was abolished. Adolf Hitler became Chancellor of the Reich on January 30, 1933, and the National Socialist Revolution methodically evolved according to plan. In October of the same year the Führer broke off all relations with Geneva. The nations which felt themselves threatened could no longer be satisfied with the guarantees of peace prescribed in the Covenant, particularly as the United States held tight to the old doctrine of freedom of the seas in all circumstances and so paralyzed whatever enthusiasm England had for applying sanctions. The strength of the French Army had been noticeably diminished by

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the law reducing military service to one year. On April 17, 1934, in his celebrated note to England, M. Barthou, Minister for Foreign Affairs, took account of this new state of affairs and gave notice that the French Government must maintain the right to reorganize and enlarge the army. Simultaneously plans were developed for promoting "collective security" by specifying how Article XVI was to come into effect should occasion arise. M. Barthou's name is particularly associated with these efforts, though as a matter of fact they were already under way (especially in the Balkans) before he arrived on the scene as French Minister for Foreign Affairs.

The military renaissance of the Reich placed one idea uppermost in the minds of successive French Foreign Ministers — Herriot, Paul Boncour and Barthou — and of the chiefs of the French General Staff, Generals Weygand and Gamelin. They all felt that the uneasiness caused in Russia by the policy of Chancellor Hitler and his lieutenants (*e.g.* the memorandum of Hugenberg regarding the colonization of Russian territories) should be exploited to destroy the Russo-German coöperation initiated at Rapallo on April 16, 1922, confirmed by the Treaty of April 26, 1926, and renewed in May 1933 after the National Socialist Government was already in power. M. Barthou and the French General Staff saw how advantageous it would be if Russo-German friendship could be destroyed and replaced by Franco-Russian coöperation. In the first place, France and her Central and East European associates would be freed from the fear that in time of war Russia would serve the Reichswehr as a reservoir of raw materials and even of troops. Second, the Little Entente nations and Poland would no longer be afraid of becoming objects of a surprise attack by Soviet Russia and would be spared the activities of Soviet propagandists in their domestic affairs. Thirdly, the theories regarding collective security being urged upon the Disarmament Conference by the French delegation would stand a much better chance of being adopted if they were supported by Moscow. And lastly, Russia's coöperation in the air might reasonably be counted on in a Franco-German crisis.

The years 1933, 1934 and 1935 were filled with intense diplomatic activity. The scope of what was planned grew and grew. In September 1934 the Soviet Union was admitted to the League of Nations. It was the idea of MM. Barthou, Beneš, Jevtitch, Rüstü Aras, Politis, and the others who wished to "organize"

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peace that all the states of Central and Eastern Europe should be united in a defensive coalition strong enough to hold in check anyone who wished to overturn the existing political and territorial order. France and Russia were to be the two poles of this coalition. Specifically, in the northeast one security pact was to bring together Germany, the Soviet Union, Poland, Czechoslovakia, and the Baltic States; a Mediterranean pact was to unite the states bordering on that sea; and there even was to be a Central European pact, based upon a preliminary agreement between France and Italy, the principal object of which was to maintain the independence of Austria.

Of these vast projects very little was realized. The Balkan Entente of February 9, 1934 (before M. Barthou came to power) united Jugoslavia, Rumania, Greece and Turkey in a military alliance for the defense of the existing Balkan frontiers. But in reality, the military agreements made under its ægis (Turkey and Jugoslavia, Turkey and Rumania) provided only against an attack by Bulgaria. Greece plead that her coasts were vulnerable and was excused from undertaking any military responsibilities. Theoretically this alliance would be effective if some outside Great Power intervened in the Balkan peninsula; but no military agreement provided for that contingency. Indeed, we can say that none of the three groups which were formed in Central and Eastern Europe, without French participation, to defend the *status quo* — the Little Entente, the entente of the Baltic states, the Balkan Entente — contained any specific obligations touching Germany and Italy.

The way for the Balkan Entente had been prepared as early as 1933 by the treaties defining aggression negotiated by the Soviet Union with all its neighbors, and particularly with the nations of the Little Entente. These signed a special treaty with Russia, one result of which was to put an end to the dispute over Bessarabia, for the treaty defined as territories of each signatory state all the lands at that moment under its control. It was following this event that Russia pushed her ally Turkey into negotiating the Balkan agreement.

The second important instrument produced in this period as a result of the efforts of the diplomats was the Franco-Soviet Treaty of May 2, 1935. The signatories promised mutual assistance to each other in the terms of Article XV and Article XVI of the Covenant. It was followed (May 16, 1935) by a similar treaty

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between Soviet Russia and Czechoslovakia. These two obligations took on added significance after the Council and Assembly of the League decided (October 1935) to take repressive action against Italy as a result of her aggression in Ethiopia. The construction put at that time on Article XVI made it practically an alliance, since each member state thenceforth was to regard any act of aggression against another as directed against itself, without waiting for deliberations or a decision by the Council. The only difference between old-time alliances and the pacts of mutual assistance founded on Article XVI is that the new sort of agreement must be strictly defensive.

The machinery set in motion by M. Barthou was enormous and complicated. Numerous governments were to be united, all beneficiaries of the same guarantees. For example, Russia was obligated to defend France against a German attack and Germany against a French attack; while France was to support Germany against a Soviet attack and the Soviets against a German attack. What all this boiled down to was two bilateral treaties. To make the system complete, there still were treaties of mutual assistance to be negotiated between France, Jugoslavia and Rumania; between Russia, Jugoslavia and Rumania; between France and Turkey; and between Czechoslovakia, Jugoslavia and Rumania. The result was interminable and horribly involved conversations. Thus in July 1935 M. Titulescu obtained the authorization of King Carol to sign a pact of mutual assistance with Russia. Yet France delayed ratification of her pact with Russia until March 1936. It therefore was not until July 21 of that year that M. Litvinov agreed to discuss a possible Russo-Rumanian agreement — and this purely on his personal initiative, it being understood that official negotiations would begin at Geneva in September. Then on August 29, 1936, M. Titulescu suddenly was dismissed from his post as Minister of Foreign Affairs. M. Laval and his successors meanwhile remained deaf to repeated requests for promises of mutual assistance sent to Paris by Jugoslavia and Turkey, both of which were very fearful of an Italian attack. So it was that M. Barthou's great idea evaporated.

IV

Why all this vacillation and why this general failure on the part of so many governments? Because the powerful motor which had been driving the nations of Central and Eastern Europe to join

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forces for their common protection had come to a standstill. This happened partly as a result of the Ethiopian affair, but more especially because of the deplorable weakness which France and Britain showed on March 7, 1936, when Hitler sent his troops into the demilitarized zone of the Rhine. The states of Central and Eastern Europe began to lose hope that France could and would bring them succor in the hour of danger. The negotiations of 1934–1936 had proved that no collective front against Pan-Germanism could be organized in the Danubian area independently of France, without her guarantees and without a vigorous determination on her part to give those guarantees full effect. The trouble was that in point of fact France could not give that sort of guarantee unless England added her endorsement.

A look at the map of Europe makes one wonder why, in view of the extent and imminence of the Pan-German peril, Czechoslovakia and Rumania never concluded a treaty of mutual assistance against Germany, for through her great Skoda factories Czechoslovakia actually contributes more to Rumanian armament than does France, and normally Rumania should serve as a source of food supply for the Czechoslovak army in any prolonged campaign. On the other hand, although if Czechoslovakia were attacked by Germany, Rumania could hardly prevent Russia from occupying Bessarabia as a precautionary measure to protect the Ukraine, negotiations as to what should be done in such circumstances have never made any progress between Bucharest and Moscow. The explanation in both cases is that Russia and Rumania consider as *ultra vires* any campaign against Germany in which France does not undertake to hold the greater part of the German Army on the Western front.

In the light of all this, March 7, 1936, appears as a decisive date in the diplomatic history of Central Europe — a watershed between two political continents. So long as the Rhine was free from German fortifications the French Army at any time could bring irresistible pressure to bear on Hitler's Reich. It could warn it to respect the independence of the Danubian states. It could say: "Thus far, and no farther!"

The French Army is in the opinion of all military experts a most formidable war machine. I except (momentarily) the air force, which is not what it should be; but after all, aviation is a secondary arm which can spread panic but cannot conquer and hold territory. The fortifications along the northeastern frontier are

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impregnable. But since 1936 German fortifications have been built, and in April 1937 Belgium returned to a policy of independent neutrality. The nations of Eastern Europe and the Balkans naturally wonder where, in these new conditions, French and British forces could find an opening to carry out an offensive against Germany. They very much fear that the instruments on which they formerly relied have been bottled up. Were Italy to weaken herself and lose prestige by a failure in Spain, should England recover her ancient hegemony of the Mediterranean, then the two Western Powers would find a new opening to the southeast to replace the one which no longer exists in the north. This may be the situation tomorrow; it is not the situation today.

Now let us look more carefully at the principal steps which signalized the dissolution of what the Italians and Germans called the "French system."

Even while M. Barthou was still hard at work forging his chain of diplomatic agreements, an important schism had already become visible in the ranks which he intended should be unified and impregnable. On January 26, 1934, Poland signed with Germany a declaration which suspended for ten years their long-drawn discussion of territorial differences. It was apparently a modest agreement, and could be interpreted as a useful attempt to forestall potential conflicts. Actually the only reason why Germany concluded it was because she knew the personal tendencies of the Polish Minister for Foreign Affairs, Colonel Beck, and his master, Marshal Pilsudski. The predilections of those two gentlemen gave Germany reason to hope that in practice Poland would in future reserve all her powers of resistance — even her powers of offense — for use against Soviet Russia; that she would never be faithful to the idea of "collective security;" that she would do her best to isolate Czechoslovakia by weaning away Rumania and Jugoslavia; and that in Prague she would work with Henlein and his men against Dr. Beneš and in Bucharest against M. Titulescu. And indeed Colonel Beck played just that rôle, helping on every occasion to weaken the influence of France and destroy the French system of collective security.

Pilsudski's military ideology never could reconcile itself to the pacifist policies of French and Czech democracy; and Beck was a faithful practiser of his master's adventurous principles. Poland had grounds for irritation, too, because France at Locarno seemed to place Poland in the background (see, on this point, the memoirs

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of Stresemann) and because on June 7, 1933, she signed the "Four Power Pact" with Britain, Germany and Italy. This agreement was stillborn, but its psychological results amongst the allies and associates of France were disastrous. Poland was further irritated because France during the Disarmament Conference proposed security plans without having first reached an understanding with her. In the spring of 1933 the Polish Government proposed to the French Government that they should together start a preventive war against Germany. When this was refused it began negotiations with the Wilhelmstrasse. The policy of abetting Pan-Germanism is concealed under all sorts of excuses and pretexts, some important, some unimportant: the need of protecting the Polish minority in Czechoslovakia (total about 80,000); Poland's desire to be considered a Great Power; her ambition to form and direct a group of states running from the Baltic to the Black Sea which would remain neutral as between Germany and Russia and receive presents from both. Now past history teaches that coöperation between Berlin and Moscow represents the worst possible danger for the peoples in this middle zone and that such coöperation would be the result of the neutral attitude urged by Colonel Beck. But the truth is that however much the Polish public may be opposed to him, Colonel Beck has made his choice. He still protests his loyalty to the military alliance with France; but in the same breath he attacks the "collective security" of which it is a part. Of course in a moment of crisis Poland will have to choose. If Colonel Beck had his way, she would choose Germany. But he still is not Poland's absolute master.

Since 1936 the Jugoslav and Rumanian Governments have been following a policy of counter-insurance in imitation of that of Warsaw, though so far without taking any irremediable step. M. Titulescu was dismissed from office August 29, 1936. Two weeks later the Little Entente ministers met at Bratislava for one of their periodic conferences. There they dissolved the bonds of diplomatic solidarity formed in February 1933, recognizing that in future each should have the right to negotiate with its neighbors in accordance with what seemed its own best separate interests. Czechoslovakia had treated with Russia in May 1935. Why should not Jugoslavia and Rumania treat with Italy and Germany as the occasion arose? What was forgotten was that the Russian-Czechoslovak agreement had been reached following a decision made in common by the three nations and that in 1934–

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35 the ministers of Jugoslavia and Rumania had joined their Czechoslovak colleague in urging on M. Laval the advantages of a Franco-Russian agreement. Indeed, they regarded it as a *sine qua non* of the general alliance into which all desired to enter, and tolerated the Franco-Italian agreement of January 7, 1935, only because it was to be offset by the agreement between Paris and Moscow.

Despite what had happened at the Bratislava Conference the French Government decided to renew its efforts to solidify and sustain the Little Entente. In November 1936 it informed the three member states that it was willing to undertake the same political and military obligations towards each one of them as they would undertake amongst themselves. This might be accomplished through a general treaty in which the Franco-Czechoslovak alliance and the existing treaties of diplomatic consultation and coöperation between France and Rumania and between France and Jugoslavia would all be merged, or it might be effected by three separate treaties. Neither Rumania nor Jugoslavia agreed. Both would have been glad to have France as an ally in the same way she is Czechoslovakia's ally. But they would not pay the price of such an alliance — namely, the promise to join in supporting Czechoslovakia against Germany. The French offer was never officially rejected; it simply remains in suspense.

M. Stoyadinovitch, meanwhile, decided that Jugoslavia should profit from the freedom of action agreed upon at Bratislava. On January 24, 1937, he signed a treaty with Bulgaria binding both sides never in any circumstances to make war upon the other. Now the Balkan Pact obligates Jugoslavia to defend Greece, Rumania and Turkey against an unprovoked attack by Bulgaria, and M. Stoyadinovitch has assured his country's allies that the new agreement with Bulgaria in no way affected that obligation. Who is deceiving whom? Then on March 25, 1937, M. Stoyadinovitch signed a political agreement with Italy, together with three modifying clauses still unpublished. This agreement, like the treaty with Bulgaria, makes no mention of the League of Nations. Italy promises to discontinue undertakings directed against Jugoslavia's territorial integrity. In return, Jugoslavia promises, in the event of international complications, to consult with Rome and agree on measures to be taken in common — a provision difficult to reconcile with the similar article in the Franco-Jugoslav Treaty of 1927, which was renewed in 1932 and

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again renewed by M. Stoyadinovitch himself in October 1937. His explanation is that in the case of the Italian treaty consultation and agreement are optional, whereas in the case of the treaty with France they are obligatory, due to the fact that the agreement with Rome specifically exempts preëxisting obligations of the two signatories. Both the treaties, that with Bulgaria and that with Italy, were submitted, as a matter of form, to Jugoslavia's allies. But they were presented as *faits accomplis*, with open dissolution of the Balkan Entente and the Little Entente as alternatives to acquiescence.

Rumania's evolution away from the French system of collective security has on the whole been more circumspect or at any rate less categorical than Jugoslavia's. In the spring of 1937 the Tataresco Cabinet, a mere mouthpiece of King Carol, entered into negotiations with Italy and Poland, but the forceful intervention of the French Government, which supplies the means of rearmament for both Rumania and Poland, prevented them from reaching any conclusion. Colonel Beck, of course, is always active in Bucharest against France. So long as M. Titulescu was in power, the Rumanian-Polish Treaty of 1926 and its supplementary military agreements, directed against attack by Russia, was a dead letter. Colonel Beck is ambitious to give it new life and extend the military agreements so that he could invoke Rumanian assistance against Czechoslovakia. His hopes in this direction were certainly not diminished by the accession to power in Bucharest of the extraordinary Goga ministry. What King Carol will now try to accomplish through the dictatorial régime which he soon found himself forced to call in to repair some of the damage caused by the antics of Goga and his crew remains to be seen. The voices of France and Britain still apparently have some authority in Bucharest when they rise above a whisper.

V

I have now completed the picture, pieced together from the fragments of diplomatic history, of the strength and weakness of the system of "collective security" as it exists in Central and Eastern Europe today. Weakness is certainly the dominant note. Gradually the way seems to be opening for the creation of a German Mitteleuropa. The tendency will be reversed — the scramble to pile counter-insurance on counter-insurance will be abandoned as dangerous and futile — only on that day when

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France and Britain again appear as incontestably the strongest factors, both materially and morally, in European politics. I say France *and* Britain. Hitler counts, of course, on Britain's abstention from decisive action in the moment of final decision, hoping that in that same moment France — alone — will not feel able to do anything but abstain also. In October last, Paris gave new encouragement to Prague, specifically underlining that the 1925 commitments would be operative in case German "volunteers" were sent into Czechoslovakia to assist a rising by the German minority in that country. And following that, in the Anglo-French discussions which took place in London on November 29–30, Messrs. Chamberlain and Eden recognized the utility and advisability of the French treaty with Czechoslovakia, and even of the Franco-Soviet Treaty. It remains a fact, however, that the formal alliance between France and Britain is restricted to the defense of the Western frontiers. So far as Central and Eastern Europe are concerned, Britain will not define its attitude until — or after? — the critical moment arrives.

Such a moment seemed to have come after Hitler summoned Schuschnigg to Berchtesgaden on February 12 last. It seemed as though the British Cabinet could no longer avoid reaching a decision about Central Europe. The details of what happened there quickly filtered through to London and Paris. Everyone had known that some day the Führer would try again to strike a death blow at Austrian independence, but nobody anticipated that he would behave in so brutal and rash a manner. Actually, with Reichswehr generals waiting in his anteroom he gave the Austrian Chancellor an ultimatum which was to have expired on the evening of February 15. The alternative to acceptance was to be an order to the Reichswehr to invade Austrian territory. Schuschnigg was told bluntly that he had no choice but to surrender and to place Hitler's nominee in the key post of Minister of the Interior. "There was real risk for me when I sent my troops into the Rhineland," Hitler said to Schuschnigg. "But today I can do with you whatever I want. The occupation of Austria would be no more difficult for the Reichswehr than an ordinary military parade. No assistance will come to you from outside. Neither Italy nor France nor England will move. I am building up an empire of eighty-five millions. Austria is to be part of it. It will rule Europe."

I happened to be in London during the week following February

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12, and while there spoke before a group of Conservative members in the House of Commons. They cheered my statement that what we were witnessing was the outcome of France's failure to act promptly and decisively in March 1936. It was only a few days later, on February 18, that the French Ambassador in London, M. Corbin, was instructed to approach Eden with a view to presenting a joint Franco-British declaration at the Wilhelmstrasse in which the two Western Powers would express a firm resolve to resist any infringement of international treaties in Central Europe. Eden personally approved this course and undertook to recommend it to the Cabinet. But at that moment he was practically compelled to resign by Prime Minister Chamberlain, owing to fundamental differences between them of "outlook, method and approach" regarding foreign policy in general and especially regarding pending negotiations with Italy. The French proposal was not formally rejected. But Chamberlain informed Parliament of his intention to try once more to come to terms with the totalitarian states and to begin by striking a bargain with Italy in the Mediterranean.

Ever since the beginning of the Spanish civil war Mussolini has been executing an attack upon French and British lines of communications which cannot fail to result in a weakening of their ability to react against Pan-German aggression on the Continent. Does the complaisance towards one deed of aggression signalized by Chamberlain's action give much grounds for hoping that if Czechoslovakia becomes the next victim Britain will then adopt a strong line of resistance? Only if the French Government gathers enough courage to tell London that it has reached an irrevocable decision to redeem its pledged word to its ally in case of need — a pledge reiterated by Foreign Minister Delbos as lately as February 26, 1938. In Austria, meanwhile, Schuschnigg was endeavoring, probably for the last time, to evade carrying out the 1936 Austro-German treaty in the terms put to him at Berchtesgaden on February 12. It was his hope that France and Great Britain would in the end find themselves forced to intervene for the sake of Czechoslovakia, and that if they did so they would find it a practical impossibility to dissociate that country's fate from the fate of Austria. As the sands run out we can only observe again that what is at stake is whether France and Britain are to continue to exist as Great Powers.

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HOW TRADE AGREEMENTS ARE MADE

By Francis B. Sayre

THE approval of the Trade Agreements Act on June 12, 1934, initiated a new and interesting chapter in American tariff history. Not only did it bring to an end a policy of exaggerated protectionism running riot under the highest tariff known to American history, but it brought to successful fruition the idea of tariff adjustment through reciprocal agreement with other nations, first attempted with but moderate success under the McKinley Tariff Act of 1890 and the Dingley Tariff Act of 1897. The new legislation was framed upon a combination of three principles — tariff negotiation by executive agreement; Congressional delegation to the President of the power of tariff adjustment within prescribed limits; and generalization of all tariff reductions (except those granted to Cuba) to the products of all countries which do not discriminate against American commerce. It has proved intensely practical. Already 16 trade agreements have been negotiated under its authority with nations accounting for almost 40 percent of the total foreign trade of the United States.

The trade agreements program has also proved of outstanding significance from a world point of view. Coming into effect just when the economic aftermath of the war and the crash of 1929 were engendering new forms of trade restrictions of unprecedented severity and when the drive toward economic nationalism and trading in exclusive preferences was becoming more and more intense, it has proved one of the most effective programs being carried out anywhere to combat these disastrous tendencies.

The success of a program in large measure depends upon its administration. The manner in which agreements come into being — how the machinery is organized and how it functions in practice — is therefore of considerable importance.

I. ORGANIZATION

When the Trade Agreements Act was passed in 1934 the first question which confronted us was a very practical one: What was the most effective kind of machinery which could be devised for carrying out the infinitely difficult and complex task?

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Interdepartmental Organization

Already many agencies in the Government were at work on foreign trade problems. Activities were not confined to the Department of State. In the Department of Commerce, the Bureau of Foreign and Domestic Commerce has for years been working to promote and develop the foreign commerce of the United States. To this end it has built up a group of highly trained experts who compile and publish foreign trade statistics, investigate foreign trade restrictions, prepare foreign trade reports and lend assistance generally to Americans at home and abroad engaged in export business. The Tariff Commission, charged with studying the economic and fiscal effects of our tariff, maintains another group of economists and commodity experts engaged in preparing studies and surveys relating to products imported into the United States, and the various effects of specific imports upon competitive domestic production. In the Department of Agriculture, the Bureau of Agricultural Economics is constantly studying foreign agricultural conditions and the consequent trends in foreign demand for American agricultural products. The Treasury Department, which is charged with the collection of import duties and the general administration of our customs laws, is likewise interested in our foreign commercial policy.

These various parts of the machine had in the past functioned individually with relative efficiency; but there was little coördination of their activities and still less unified vision and singleness of purpose in conceiving common objectives and then driving forward to achieve them. The strain of the depression further emphasized the need of greater integration. Accordingly the President on November 11, 1933, authorized the creation of a policy committee of high-ranking officials of the departments and governmental agencies concerned for the purpose of coördinating the commercial policy of the Government and of centralizing in the hands of a single agency the supervision of all government action affecting our import and export trade.

The Executive Committee on Commercial Policy, as the new committee was called, has from that time been functioning with marked success. It meets weekly under the chairmanship of an Assistant Secretary of State, and keeps constant watch over commercial developments. Through subcommittees it makes extended studies and reports upon problems coming within its

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purview. It advises upon questions of commercial policy referred to it by the President or by the heads of departments. Through the various departments it exercises a constant and potent influence upon the commercial policy of our government.

When the Trade Agreements Act of June 12, 1934, was passed, instead of drawing arbitrary charts and blueprints and creating overnight an elaborate independent organization for dealing with foreign trade problems and for negotiating trade agreements, we gradually built up an interdepartmental organization more or less along the lines of the Executive Committee on Commercial Policy, already functioning smoothly. In order to make full use of the long experience, ripe knowledge and tried capacity of the foreign trade experts already at work in different departments, various interdepartmental committees were set up and intermeshed for handling specific problems as they arose. Out of this interdepartmental organization has grown a spirit of close coöperation between the various departments and agencies — a spirit which is in itself somewhat unique and wholly refreshing. In place of the petty jealousies which at times mar the interaction of governmental agencies there exists today a valuable spirit of common enterprise in pushing to completion good trade agreements that goes far to make the work a success.

The Committee for Reciprocity Information

One of the problems which we faced at the outset was how to tap in a practical way the vast reservoir of facts and information possessed by men in the actual mills of business, so as to make doubly sure that our negotiations and eventual agreements would rest upon realistic, practical foundations. Section 4 of the Trade Agreements Act provides that before any trade agreement is concluded opportunity shall be given interested persons to present their views. In accordance with these provisions, the President by Executive Order on June 27, 1934, created the Committee for Reciprocity Information, composed of representatives from all the departments concerned in foreign trade, to "function under the direction and supervision of . . . the Executive Committee on Commercial Policy."

This Committee for Reciprocity Information is a most important part of the trade agreements machine. In constant and intimate touch with all aspects of trade agreements policy, it provides a central point of contact between the public and the inter-

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departmental trade agreements organization. Most of its members also serve on the Trade Agreements Committee. Its chairman is the Vice Chairman of the Tariff Commission, where it has its offices. Through it the information and views which any interested person may care to submit are made available in an orderly manner to the entire trade agreements organization. Being composed of permanent government officials, it is non-partisan in nature and objective in outlook. Its members have no axes to grind. They have but a single object — to acquire such factual information as has a pertinent bearing upon the specific proposal under consideration. Before commitments are made in any trade agreement, the Committee receives the written views of interested persons and in addition gives opportunity in open hearings for oral presentations. After an agreement has been concluded it welcomes information or views concerning its actual operation or concerning any aspect of the trade agreement program. The information and views thus presented are carefully analyzed and digested, and are systematically distributed to all of the governmental agencies coöperating in the program.

The Trade Agreements Committee

The other all-important body which supervises and energizes the whole program is the Trade Agreements Committee, established by the Executive Committee on Commercial Policy on June 22, 1934. Its membership includes high officials from the Department of State, the Department of Commerce, the Tariff Commission, the Department of Agriculture, the Treasury Department and the Agricultural Adjustment Administration. It, also, is strictly non-partisan. Its members, mature men of tested judgment and expert knowledge, have been studying foreign and domestic trade problems for years.

Special Subcommittees

As the need has developed, the Trade Agreements Committee has appointed a number of subcommittees, composed of economists and technical experts from the various departments, for the purpose of pursuing studies, preparing reports and making recommendations for its consideration. Thus, "country committees" have been appointed to prepare detailed studies of our trade with countries with which trade agreements are contemplated or are in negotiation; "commodity committees" have been created to in-

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vestigate specific commodities or groups of commodities of particular importance; and other committees have been named to deal with special technical problems such as quotas, exchange control, discriminations, and the like. In addition to these there is a special subcommittee known as the Planning Committee, whose members are responsible, as a body, for the orderly development of the entire program and, individually, for making sure that the trade agreements work in their respective departments is carried on expeditiously and thoroughly.

The Trade Agreements Division of the Department of State

In the State Department, which must carry the ultimate responsibility for the shaping of foreign policy and for conducting negotiations with foreign governments, a special section to deal with trade agreements was organized in June 1934, immediately after the passage of the Trade Agreements Act, as an adjunct to the office of the Assistant Secretary of State in charge of the program. In the following year, as the work developed and increased in volume, the section was organized as a separate Division with its own Chief. This was effected by a departmental order on May 27, 1935. The Chief of the Trade Agreements Division is also the Chairman of the Interdepartmental Trade Agreements Committee.

II. ADMINISTRATION

Trade agreement discussions are usually initiated as part of our integrated trade agreements program, although occasionally they grow out of some specific foreign trade problem under discussion or result from the request of a foreign government.

Initial Report by Trade Agreements Division

If as a result of entirely informal discussions between officials of the State Department or other departments the negotiation of a trade agreement seems to merit serious consideration, and if there is likelihood that the foreign government concerned would be prepared to enter into negotiations upon the basis of equality of treatment in respect to all forms of trade control, a preliminary report with recommendations is prepared in the Trade Agreements Division of the Department of State. This report, if approved by the Planning Committee, is then formally laid before the Trade Agreements Committee for extended discussion.

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Consideration of Initial Report by Trade Agreements Committee

At the meeting of the Trade Agreements Committee the proposal receives its first baptism of fire. The wide range of critical discussion which ensues reveals the many different angles of approach, the expert knowledge and the breadth of vision of the various members of the Committee. Questions ranging through the whole field of our economic and trade relations with the country under consideration are flung back and forth. What will be the direct and indirect effects upon various domestic industries resulting from different tentative proposals? What concessions might we hope to get in view of the political and economic conditions prevailing there? If a system of quotas or exchange control prevails, what would be the chances of obtaining equality of treatment and expansion of trade? What trade barriers could we ourselves reduce safely in return?

If under this heavy fire the proposed negotiations seem practicable and desirable, the Trade Agreements Committee then appoints an interdepartmental country committee to undertake an exhaustive and comprehensive survey of all aspects of our commercial relations with the country under consideration.

Work of the Country Committee

At this point begins the heaviest work of all. The members of the country committee are government experts chosen with great care. They settle down to a painstaking work occupying weeks and often months. The Department of Commerce member is responsible for having prepared in that Department statistical tables showing the quantity and value of, and the trends in, the trade between the two countries over a considerable period of years. He is also responsible for the preparation of detailed studies of each of the products we export to the designated country, indicating with respect to each product the proportion of American production which is exported, the proportion of imports to the country involved supplied by the United States, and the relative value of the particular market to American exporters. Each study also contains information relative to foreign tariff rates and other import restrictions affecting the product, the extent to which a reduction of trade barriers might be expected to result in increased importations from the United States, and the prospects of obtaining such a reduction in the light of economic and other

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conditions in the foreign country. In each case the study concludes with a tentative recommendation as to the desirability of attempting to obtain a concession.

Similarly, the Tariff Commission member of the country committee is responsible for having prepared in the Tariff Commission tables and studies analyzing and digesting in the same fine detail all pertinent information relative to our imports from the country under consideration. These studies show with respect to each import item the proportion of American imports originating in that country and in other supplying countries. They deal *in extenso* with conditions in competing American industries, particularly as they are or may be affected by foreign competition. Each study concludes with a tentative recommendation as to the possibility of granting a concession on the product in question if, in the event actual negotiations ensue, such action should appear necessary to secure more favorable treatment for our export trade.

In the meantime, agricultural experts are preparing studies of agricultural products which enter into the trade between the two countries, and Treasury experts are considering questions relating to tariff classifications and customs administration. The State Department member of the country committee studies the commercial policies of the other country, and is responsible for the formulation of the general provisions of the proposed trade agreement. He also assumes responsibility for the coördination and general progress of the work.

Tentative Formulation of List of Concessions to be Requested (Schedule I)

After sufficient progress has been made on these studies and reports, the country committee begins a series of meetings for the purpose of formulating tentative recommendations as to the items which might be considered in a trade agreement. Usually, the products which we export to the foreign country are considered first. Commodity and technical experts are in most instances invited to assist in the deliberations, and, if the problem with regard to a particular product is unusually complex, or if its ramifications extend to questions beyond the competence of the country committee, it will be referred for intensive study and report to a permanent or *ad hoc* commodity or technical committee.

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When the country committee's study of these export items has been completed, two groups of commodities emerge — those as to which it seems practicable and desirable to request trade concessions, and those as to which, because of the unimportance of the trade involved, because of the slightness of the existing trade restrictions, because of the fact that some country other than ourselves is the most important supplier of the product, or for some other reason, it seems undesirable to request concessions. A list of commodities in the first group is then prepared, with recommendations as to just what concessions should be requested — whether a tariff cut, a quota enlargement, a freeing from import restrictions, a binding in duty, or a combination of some or all, and the extent of each. This list forms the basis of what will ultimately become "Schedule I."

Tentative Formulation of List of Concessions Which Might be Granted (Schedule II)

Next, the country committee turns its attention to the study of import items and the preparation of Schedule II, the list of concessions which we might consider granting in return. Using as a basis the carefully worked out statistics and digests prepared by the Tariff Commission, the country committee launches into an even more intensive study, commodity by commodity, of each item of our imports from the country in question. Before any concession is recommended for consideration in the negotiations, it is painstakingly examined in the light of our past tariff treatment of the commodity, of the proportion of imports to domestic production, of the status and conditions of the domestic production of the commodity, of the probable effects upon domestic production of greater competition from the country under consideration and from all other countries, and of possible effects upon allied or competing domestic industries. Needless to say, partisan or purely political considerations play no part throughout this long study. The sole criterion is economic cause and effect; the sole objective is improvement of American commerce, foreign and domestic, from the viewpoint of the country as a whole.

After weeks of intense study, a list at last emerges embracing those products as to which it may be expected that the foreign government will request concessions and as to which we might consider granting their requests. This forms the basis of what will ultimately become "Schedule II."

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From this expert study and many-sided consideration of each commodity involved comes a profound understanding of the entire trade between the United States and the country in question with all its hindrances, its possibilities for improvement, and its limitations. The Belgian Country Committee, to cite a concrete example, put forth ten or eleven massive volumes of detailed studies and reports on articles embraced in Belgian-American trade; and other country committees in like proportion.

Consideration of Tentative Schedules I and II by the Trade Agreements Committee

In the meantime, informal exploratory conversations of a tentative character with the foreign government have been initiated at the State Department. Trade agreements include not only schedules of specific concessions on each side but also general provisions designed to prevent all discrimination, to ensure fair treatment, and to safeguard the detailed concessions. Before announcement is made of the intention to negotiate, the State Department must be satisfied that there is sufficient basis for agreement to make a successful conclusion probable. It must be satisfied that the other government is prepared to negotiate on an unconditional most-favored-nation basis; that it is ready to cease any discriminations against American commerce in respect to tariff treatment, quotas, allotments of foreign exchange, import permits and in every other respect; and that it is desirous of negotiating for the reduction of excessive trade barriers on each side.

If it seems clear that this is the case, the tentative Schedules I and II, as they have emerged in the country committee, are then submitted to the Trade Agreements Committee for additional study and consideration. Again, each separate item on both of the schedules is debated and analyzed, this time by high officials who have in mind collateral economic considerations and high policy and who bring to bear on the accumulated evidence new and varied points of view. Many items are referred back to the country committee or to other subcommittees for fresh consideration.

Up to this point, in spite of the great amount of work which has been done, every conclusion is contingent and every decision purely tentative. The President has not yet studied the schedules; private interests have not yet filed their briefs or appeared in oral

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hearings. Until after the public hearings everything that is done is in the nature of study and preparation. Actual commitments and final decisions do not begin until after all the views presented to the Committee for Reciprocity Information have been digested, studied, analyzed and carefully considered, and the resulting recommendations have been approved by the President.

Preliminary Announcement that Negotiations are Contemplated

If the decision of the Trade Agreements Committee is favorable to an agreement and if the foreign government is in accord, the Secretary of State issues a preliminary announcement that negotiations are contemplated, so as to afford any interested person in this country an opportunity to suggest to the Committee for Reciprocity Information the import or export products which in his opinion should be included in the proposed negotiations. To aid in the preparation of suggestions, there is issued with the preliminary announcement a brief review of the trade between the two countries and a statistical table of the principal exports and imports entering into that trade.

Suggestions received pursuant to the preliminary announcement are carefully analyzed; and if such action appears to be warranted, items will be added to or removed from the tentative schedules, which continue under active consideration.

Formal Notice of Intention to Negotiate

Some four or five weeks after the preliminary announcement has been made, formal public notice of intention to negotiate is issued pursuant to Section 4 of the Act. With this notice is published a list of the products as to which the United States will consider granting concessions to the other country — a list prepared from the tentative Schedule II as revised by the Trade Agreements Committee, from the suggestions made to the Committee for Reciprocity Information, and from the "request" list of items presented by the other government. The object of this advance announcement of the list of commodities is to obviate the necessity of filing briefs covering those other commodities which enter into the trade between the two nations but which for one reason or another are certain not to be involved in the negotiations. Not every commodity named in this list, of course, will be the subject of an eventual concession. It is merely a list which will form the basis of negotiations.

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Presentations and Hearings before the Committee for Reciprocity Information

The notice also fixes the dates for the presentation of written and of oral statements to the Committee for Reciprocity Information, under regulations issued by the Committee.

As in the case of the suggestions received following the preliminary announcement, all statements submitted in briefs or orally at the open hearings before the Committee for Reciprocity Information are studied in the most thorough and intensive manner. The statements are carefully digested; these digests, together with the original briefs, are promptly sent to the various departments and to the departmental representatives on the country committee, where the views thus presented are thoroughly weighed and analyzed. In the light of this new information the country committee revises its tentative recommendations and reports its final conclusions to the Trade Agreements Committee.

The Trade Agreements Committee then proceeds to give fresh study to the two schedules in the light of the information coming through the Committee for Reciprocity Information. Considerable modification usually results. The two schedules as finally approved by the Trade Agreements Committee are then submitted to the Secretary of State and ultimately to the President for modification or approval.

During all this time there has been a constant interlocking of the work. While the country committee and other subcommittees are wrestling with various specific problems, the Trade Agreements Committee is considering the questions of larger policy involved. At the same time, briefs and letters are coming in to the Committee for Reciprocity Information, and this information is continuously being turned over to all the departments, committees or individuals directly concerned and constantly influences important decisions. General conversations with the foreign government on a purely tentative basis are often simultaneously proceeding at the State Department concerning the general character or scope of the proposed agreement. In this way direction can be given at an early stage to the studies of the other government and much time can be saved. Needless to say, however, no commitments of any kind are made until after the completion of the hearings before the Committee for Reciprocity Information.

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The Beginning of Formal Negotiations

After tentative plans and proposals are approved by the Secretary of State and by the President, the way is then clear to begin formal negotiations with the other country within the limits of the approved proposals. This is one of the most delicate tasks of all. New problems and new difficulties arise on every side. Proposals are met by counter-proposals; new formulas have to be found for meeting unforeseen difficulties. Agreement must be reached not only with regard to the schedule items, but also with regard to the general provisions to be included in the trade agreement. These general provisions, which have been prepared in constant consultation with legal and technical experts, are designed to safeguard the concessions to be exchanged and to provide, in general, sound principles governing trade relations between the two countries.

While we are in the very midst of these hair-trigger negotiations, seeking to win an agreement of real profit to both sides, high-powered lobbyists make their voices heard throughout the country, using every device to defeat or upset the agreement. Pressure is brought against members of Congress; Washington is deluged with inspired letters and telegrams. The country rings with the protests of special interests; unhappily few seem sufficiently concerned to speak for the interests of the consumer or of the nation.

III. THE NEW METHOD OF TARIFF ADJUSTMENT

In spite of the enormous difficulty and complexity of the task involved, and despite the obstacles which only too frequently have been thrown in the way, our machinery has functioned effectively. We have successfully negotiated to date sixteen trade agreements. One cannot accurately measure the precise effects of trade agreements by increases in foreign trade; too many extraneous and independent factors enter in. But we do know that whereas the total foreign trade of the United States with non-trade-agreement countries increased in 1936 over 1935 by only 9.2 percent, the trade with countries with which we had made agreements increased by 18.2 percent. During 1937, although imports into the United States were affected far more by the effects of the severe drought of 1936 and of the industrial recovery than by trade agreements, exports to agreement countries increased by

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40.6 percent over the preceding year as contrasted with an increase of 33.7 percent in exports to non-agreement countries.

Never in the past has the United States followed such a careful and expert method of dealing with problems of foreign trade. Never before has consideration of tariff matters been so free from log-rolling, politics, and narrow sectional influences. Formerly professional lobbyists frequently crowded others off the stage. Now there exists an effective means, available to all without cost, whereby everyone is assured of a careful and impartial hearing by trained officials who have no party interest to serve. It is the interests of our nation as a whole which under the new procedure are shaping our foreign commercial policy.

The procedure which has been developed for the monumental task of formulating and negotiating trade agreements is kept elastic and flexible. We are continually adjusting it in the light of experience, trying to iron out such imperfections as become apparent. It is a process which is thoroughly democratic and thoroughly American in the best sense of that word. And it is a process which demonstrably is making an important contribution to the economic improvement of our country and to the strengthening of the forces of peace throughout the world.

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AMERICA REARMS

By Hanson W. Baldwin

THE passage of the Neutrality Act in 1936 and the strong support recently given in Congress to the Ludlow Resolution (providing that war can be declared only if approved by a national referendum) are merely two manifestations of the great strength not only of American isolationists but of that considerable body of public opinion which is determined to have peace at almost any price.

But as the United States has sought to withdraw more and more into its shell it has felt the urge to make that shell strong. The pending Army and Navy annual supply bills tentatively call for the expenditure in 1939 of about $980,326,812, an increase of more than $50,000,000 over the national defense budget for 1938. That already constitutes one of the greatest peacetime armaments budgets in American history. On top of this, on January 28 the President urged Congress to authorize a large-scale, long-range expansion of the Navy and a further modernization of the Army at a total estimated cost of $1,300,000,000 over and above the regular annual defense budget.

These apparently contradictory trends — the one pacifist and the other militarist — are not so incongruous as they might appear on the surface; they represent in fact a reversion to that old policy enunciated earlier in the century by another Roosevelt — "speak softly and carry a big stick." In the first postwar decade when the nations were toying with disarmament the big stick was whittled down considerably. Our national defense policy followed the familiar pattern of our history, except that in addition to the usual disarmament "by neglect" we were practising disarmament by precept and by treaty.

But those days are done and the time for a really big stick has come again. Ever since President Roosevelt took office in 1933, the Army, the Navy and their air forces have been steadily increasing in size and power. Today, under the impetus of the world armament race, the process is being accelerated at an even faster tempo.

The Navy, our first line of defense and the more important of our armed services, is to receive the lion's share not only of the proposed 1939 annual appropriations but of the extraordinary

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funds recently requested by the President. The naval budget for the fiscal year starting July 1, 1939, calls for the expenditure of $553,266,494 (these figures, as approved by the House at the date of writing, may be modified slightly by the Senate), of which about $138,000,000 (plus almost $45,000,000 carried forward from last year) is earmarked for: (1) continuing the construction of some 65 men-of-war now building; (2) modifying, altering and improving some nine other new vessels already commissioned; and (3) starting the construction of 22 other vessels. The 65 vessels now in various stages of construction will probably cost another $200,000,000 to $300,000,000 and the 22 new ones yet to be started will add about $300,000,000. Over and above these whacking sums the President has requested an *additional* extraordinary appropriation for the next fiscal year (the exact amount is still unspecified) with which to start immediate construction on two more battleships and two more cruisers. More important, he requested Congress to provide for a 20 percent increase in the "existing authorized building program for increases and replacements in the Navy."

The President's recommendations, certain to receive Congressional approval, mark the first departure from our naval policy as it was defined at the Washington Naval Conference of 1921–22. In the treaty entered into at that conference, the principle of limiting warships in size and number was put into practice for the first time in the world's history, and the now famous ratios of naval strengths were established — United States, 5; Britain, 5; Japan, 3; France and Italy, each 1.66.

That treaty, modified and extended until the end of 1936 by the Treaty of London (1930), committed us in principle to blue-water parity with England, long the mistress of the seas. Under these agreements we were entitled to a total strength (including the increases permitted by so-called "escalator" clauses) of some 1,262,000 tons of modern or "under-age" fighting ships in the five principal categories (capital ships, carriers, cruisers, destroyers and submarines), as compared to Britain's 1,277,000 tons and Japan's 839,000 tons. But it was a right of which we never fully availed ourselves. Not until after Japan's seizure of Manchuria, Hitler's flouting of the disarmament restrictions in the Versailles Treaty, Italy's renaissance in the Mediterranean, and the general worsening of the world's political and economic situation, did we attempt in earnest to build up to treaty limits and to replace our

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large number of obsolescent ships. The legislation making this possible by providing for the construction of some 102 ships by 1942 was the Vinson-Trammell Act of 1934. That law authorized the building of the Navy up to the limits permitted by the treaties, and the constant replacement of obsolescent ships to keep it at that level.

The Washington Treaty and the Treaty of London died at the end of 1936, except for a few largely evanescent qualitative restrictions, and with them died the dream of disarmament. Most of the world's sea Powers thereupon commenced work on construction programs designed to give them fleets far stronger than their former treaty navies. The United States, however, continued merely building replacements and only such additional ships as were provided in the program initiated by the Vinson-Trammell Act (itself based upon the defunct treaties).

Such was the situation until recently, when the sinking of the gunboat *Panay* — coming as it did as a climax to a steadily deteriorating world situation — led President Roosevelt to recommend a general 20 percent increase in the Navy's modern tonnage. His message not merely signalized the abandonment of old limitations and ratios, but our determination to stay in the race and not to be crowded out on the turns. It marked, therefore, the most important change in our national defense policy since the war. The President's program, calling for some sixty-nine ships totalling more than 400,000 tons, was immediately translated into enabling legislation by Representative Carl Vinson of the House Naval Affairs Committee, and introduced as an administration measure.

The number and tonnage of ships now in commission (both modern and obsolescent), and of vessels now on the ways, are as follows:

Type of Vessel	Under-age in Commission		Over-age in and out of Commission		Building		Total	
	No.	*Tonnage*	*No.*	*Tonnage*	*No.*	*Tonnage*	*No.*	*Tonnage*
Battleships	15	464,300	..	.....	2	70,000	17	534,300
Aircraft carriers.	4	100,400	..	.....	2	34,600	6	135,000
Cruisers (heavy)	17	161,200	..	.....	1	10,000	18	171,200
Cruisers (light).	12	90,500	..	.....	7	70,000	19	160,500
Destroyers.....	48	72,930	158	178,710	36	56,200	242	307,840
Submarines....	21	30,025	65	47,820	15	21,740	101	99,585
Total	117	919,355	223	226,530	63	262,540	403	1,408,425

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This total tonnage compares with that of other Powers approximately as follows: British Empire — 381 ships, 1,757,743 tons; Japan — 236 ships, 957,000 tons (including two 43,000 tons, 16-inch gun battleships believed to be building); France — 200 ships, 648,000 tons; Italy — 291 ships, 624,000 tons; Germany — 139 ships, 439,000 tons.

The number of ships now being requested is as follows:

Type of Vessel	1939 Appropriations		New Naval Program		Grand Total	
	No.	*Tonnage*	*No.*	*Tonnage*	*No.*	*Tonnage*
Battleships	2	70,000	3	105,000	5	175,000
Aircraft carriers	..	.....	2	30,000	2	30,000
Cruisers (light)	2	10,000	8	68,754	10	78,754
Destroyers	8	12,000	25	38,000	33	50,000
Submarines	6	8,130	9	13,658	15	21,788
Submarine tenders	1	9,000	3	27,000	4	36,000
Destroyer tenders	..	.....	5	45,000	5	45,000
Seaplane tenders	..	.....	4	33,200	4	33,200
Seaplane tenders (small)	..	.....	7	11,550	7	11,550
Oilers	1	8,000	..	.....	1	8,000
Fleet tug	1	1,150	..	.....	1	1,150
Mine sweepers	1	600	..	.....	1	600
Repair ships	..	.....	3	28,500	3	28,500
Total	22	118,880	69	400,662	91	519,542

Signatories to the naval treaties were supposed to scrap old ships when they were replaced by new ones. Our Navy, like other navies, is now retaining most of its old tonnage and is modernizing the larger units such as capital ships and airplane carriers. Consequently, nearly all of the ships listed in the preceding tables as either building or requested will be additions, not replacements. Thus, it can be seen that the present program calls for considerably more than a 20 percent increase in fighting tonnage; for instance, by 1943–44 we should have some 21 capital ships in commission (with others building) as compared to the 15 we have today — an increase of about 40 percent.

But combatant ships and guns form only one element of sea power, albeit an important one. "The distinguishing feature of a naval force," writes Mahan, "is mobility." One of the fundamental aims of the present program is therefore to increase the fleet's mobility by replacing its obsolete, slow and short-range auxiliary vessels with new and higher-speed seaplane tenders, de-

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stroyer tenders, repair and other ships possessed of large cruising radii. Twenty-two auxiliaries are among the vessels recently requested by the President; the money for six others has already been appropriated. Furthermore, private yards, with the aid of government subsidies and under the direction of the Maritime Commission, are to build 12 high-speed commercial tankers which will be available for use by the fleet in wartime, as well as 12 specially-designed cargo vessels. The new program also provides some $15,000,000 for the construction of a few small "experimental" vessels under 3,000 tons — a mosquito fleet of torpedo craft, submarine chasers and probably small auxiliaries.

The American Navy has long been "air-minded." The President's program therefore quite naturally proposes very substantial increases in the strength of the air arm. A grand total of some 3,000 naval planes and two more carriers are authorized by the new bill, an increase of 950 planes above the estimated requirements of the old treaty Navy and an actual increase of approximately 1,500 planes above the number (both modern and obsolete) in commission today.

The new Navy will require a far larger force to man it than did the old. The appropriation bill for 1939 carries funds to provide 110,000 enlisted men, 30,000 more than in 1934 and an increase of some 5,000 above the present year. It is expected that eventually fleet and shore establishments will require the 137,485 men already authorized by law. There also are ambitious plans to enlarge the reserve establishment; Naval R. O. T. C. college units are to be doubled in number; and it is hoped eventually to create a merchant marine reserve of 5,000 officers and 35,000 men.

As the number of ships in commission increases there will be a need for between 2,000 and 3,000 more regular officers. Some feel that the need is not so much for more officers as for a reallocation of officers, in order that there be fewer posts ashore and a longer continuity of command afloat. Shifts are at present so frequent that a battleship, the world's most complicated fighting mechanism, may have a new commander every twelve to eighteen months, while command of the fleet is rarely held by the same man for more than two years. There is also considerable criticism of the Navy's present rigid system of promotion which has forced the retirement of a considerable number of experienced men at the very time when a great expansion of the naval service will necessitate the addition of more officers. There seems no doubt that the

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present system of officer selection has adversely affected morale. Nor does the fleet's terrifically severe work schedule create calm nerves or contentment. There is a saying in the Navy that if we went to war "all an enemy fleet would have to do would be to stay out of our way for a couple of months and we would defeat ourselves." By then, it is inferred, ships and men would be so worn out that they would fall an easy victim to the fresher enemy.

In some aspects of training, particularly in the employment of naval aviation with the fleet and in the practical working out of vast strategical problems in annual war games, the United States Navy seems well ahead of other navies. Nevertheless, there are a few sour notes. Some observers feel that the fleet needs more cruising in small units; that it is tied too much to its Californian bases and to the Commander-in-Chief's apron strings; in short, that it is too "domesticated." There also has been some question as to our gunnery efficiency in comparison with that of other navies. The remarkable performance of a German cruiser in practice firing near the fleet's West Coast bases a few years ago considerably startled our officers and spurred them to new gunnery efforts. There is now noticeable a fortunate trend away from the prescribed artificial target practices of the past in favor of "shoots" more closely approximating actual battle conditions. But we are still handicapped in comparison to other navies by the short-term enlistments of our men and the rapid turnover of the officer and enlisted personnel composing our gun crews.

There is a great deal more to sea power than the tangibles of ships and guns and the intangibles of morale and training. Our industrial capacity (although not our shipbuilding capacity) probably is potentially greater than that of any other nation; but labor troubles, the price-fixing and profit-limiting provisions imposed on ship builders by the Government, and the red tape and divided responsibilities of the politically-entrenched bureaus in the Navy Department constitute obstacles which have retarded our naval construction program to such an extent that today practically every ship being built is weeks or months behind schedule. Assistant Secretary Edison has been trying to slice through some of the snarls of red tape; but each bureau is jealous of its prerogatives, and though the Navy Department has been threatened in the Maas Bill with the creation of a General Staff, the tempo of ship building has not been much accelerated.

Another cause of worry is the greatly increased cost per ton of

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man-of-war construction: last year the cost of ordnance materials alone rose an average of 24 percent. The cost of a 35,000 ton battleship has been revised in the past two years from an original estimate of $50,000,000, first to $55,000,000 and now to a still tentative figure of $71,000,000. If the threat of Japan's secret building program (supposed to include two 43,000 ton ships with 12 16-inch guns and two 40,000 ton ships with 10 16-inch guns) should force us to abandon the 35,000 ton limitation agreed upon at London in 1936, the cost of a battleship would be still further increased, probably to nearly $100,000,000. And the outlay would be boosted higher still by the technical problems involved in constructing 40,000 to 50,000 ton ships able to pass through the 110-foot-wide locks of the Panama Canal. Without a doubt such ships can be built, but the normal ratio of length to beam would have to be altered and it would take additional expenditures to prepare them for all the exigencies of modern naval war. Plainly, if we cannot reduce construction costs we shall be considerably handicapped in the race for bluewater supremacy.

The Merchant Marine, an important wartime auxiliary to the combatant fleet, is another weak link in our first line of defense. The indiscipline and inefficiency which exist on some of our commercial vessels, as well as the obsolescence of many of the vessels themselves, are receiving the attention of the Maritime Commission. Plans are being evolved for the construction of a large merchant fleet. The Navy is attempting to assist in the creation of an adequate auxiliary service by organizing a Merchant Marine Naval Reserve containing both officers and men, but so far it has met with very limited success. Mention must also be made of the Coast Guard, with its mosquito fleet of some 275 vessels, 1,900 small boats and 50 planes. These become part of the regular Navy in time of war.

With regard to bases, the chief point to note is that we naturally possess a great many more aviation facilities today than we did twenty years ago. Though much work still remains to be done at Hawaii ($37,000,000 more must be spent by 1944), Pearl Harbor and the island of Oahu already are probably impregnable to any foreseeable attack. Also receiving increasing attention are the bases at Guantanamo (Cuba), Culebra Island (Puerto Rico) and St. Thomas in the Virgin Islands, where an air squadron of the Marines has recently been stationed.

General MacArthur's development of the Philippine Army has

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not been paralleled by a similar strengthening in our Philippine naval base. During the period the Washington treaties were in vigor, we could not legally improve that base. It is generally believed, therefore, that in case of war with Japan the latter could quickly conquer the Philippines (with the possible exception of the army fortress on Corregidor, which might hold out a year or more) without needing to use an expeditionary force of more than 100,000 men. Guam, where a squadron of patrol planes is to be stationed, is isolated and largely defenseless in the midst of the Japanese mandated islands. But we have established stepping stones in the form of air bases across the Pacific and around its eastern rim, and these are of growing importance in the strategy of that ocean. A new small base was recently established at Sitka in Alaska and another is planned for Kodiak Island in the Aleutian area. Midway and Ocean Islands as well as Guam are now under naval jurisdiction; together with French Frigate Shoals they help to extend the range of our patrol squadrons based on Pearl Harbor by 1,000 miles or more. Baker, Howland and Wake Islands (around which elements of the fleet are expected to manœuvre for the first time this spring) and other diminutive Pacific atolls are now being utilized both as stations for the trans-Pacific clippers and for naval purposes.

Taking into account all factors, tangible and intangible, we probably are justified in concluding that if the Navy is expanded to the full limits requested by the President, its fighting strength will be increased from 50 to 75 percent. Even as it stands today there is no doubt that the Navy is far better prepared to fight than it was in 1934. Nobody can say, however, how the picture will be modified in the next few years by the construction programs of other countries. But in any case there is certain to be a tremendous *absolute* increase in the fighting strength of the American Navy between now and 1943–44. Whether its strength will increase *relative* to the strengths of other sea Powers remains to be seen. Much depends upon our ability to speed up our shipbuilding program and to assimilate a new glut of contracts in yards already clogged with orders. Unless we can build ships far faster than we have been doing since 1934, we shall fall behind in the race for sea power, at least as compared to England. She has been building cruisers in from eighteen months to two and a half years, whereas in the United States we take three or four years. The strength of our fleet as compared to that of the Japanese fleet

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is likely to increase slightly. Both England and the United States will probably become somewhat stronger in Far Eastern waters: Britain by virtue of a strengthened Hong Kong and of Singapore, plus the squadron of capital ships she expects eventually to station there; the United States largely by virtue of the development of those aërial stepping stones enumerated above and because of the increased cruising radii of our modern ships.

II

Since 1935 the Regular Army of the United States has increased from 118,000 to a current strength of almost 165,000 enlisted men; yet its expansion program has just started. Next year's appropriation bill for the military establishment tentatively calls for the expenditure of approximately $427,000,000, to which the President's recent message suggests adding $16,000,000 more. With these moneys the Army plans to continue its long-range program of reorganization and modernization initiated by General Douglas MacArthur shortly after President Roosevelt first took office.

Military thought in the American Army, like military thought everywhere, is in a complete state of flux. The results are painfully evident. If, for instance, the Army adopts the new organization for the infantry division now being tested, we shall have to embark upon the most complete reorganization of our land forces since the World War — perhaps since the Civil War. The development of the tank and the armored car — mechanization — and the replacement of the horse and mule by the truck, the automobile and the motorcycle — motorization — are only two of the chief elements of change. Additional are the substitution of modern weapons with increased fire power for the old reliables, and the growth of air power, which has given Mars seven league boots, and thereby greatly complicated the problem of supply.

In many ways, then, the Army faces problems more difficult of solution than those of its sister service. Its plans must therefore be more flexible and it must constantly try to adapt itself to the lessons taught in Ethiopia, in Spain and in the Far East.

The Army still seems to hug firmly the old concept of mass, yet it has definitely accepted the implications of the machine age. In its industrial mobilization plan — which incidentally sets up a dictatorial government in accordance with the inevitable totalitarian character of any future war — the Army has earmarked some 12,000 factories as potential wartime pro-

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ducers of munitions and equipment. As Colonel Sanderford Jarman of the War Department recently revealed, wartime man power is to be raised largely by conscription. Without waiting for war, however, the military authorities desire an immediate increase in the personnel of the Regular Army above its present strength of around 165,000 enlisted men and 12,309 officers (exclusive of about 6,500 Philippine Scouts). They would like 2,000 more officers and from 10,000 to 15,000 more enlisted men — chiefly to provide pilots and ground crews for more planes, a larger anti-aircraft personnel, and more men for specialized duties. The National Guard is being raised to a total strength of 210,000. With the Guard and the Regular Army as a basic force, the United States could probably mobilize on M-day (mobilization day) some 375,000 men, of whom probably about 40,000 would be stationed in our overseas possessions. More than 1,000,000 men, Colonel Jarman disclosed, would have to be procured for the land forces in the first four months of war, and of these, 300,000 would be needed in the first month. Present plans call for voluntary recruitment of that number in order to cover the lapse of time between the declaration of war and the functioning of the draft machinery.

But the greater the number of trained reserves available, the less dangerous the gap between M-day and Draft-day; hence one of the Army's major efforts is directed towards building up an adequate reserve. The officer reserve is well organized and fairly well trained. There are about 96,545 officers on the reserve roll (the objective is to have 120,000) — enough, together with Regular Army commissioned ranks, National Guard officers and R.O.T.C. personnel, to officer an army of about 1,250,000 men. But there is practically no enlisted reserve — only 3,189 men. The Army would like to see the enlistment of 150,000 trained men (75,000 in the next four years) at a retainer fee of $24 a year. Some 115,000 of these 150,000 reservists would, it is contemplated, be incorporated immediately after the outbreak of war into the Regular Army to bring its strength up to 280,000. The rest would be used to provide key men for the inactive units and reserve regiments. To provide for the "better establishment" of this enlisted reserve, the President in his recent message asked for the immediate appropriation of $450,000, a sum sufficient to enlist about 18,000 men during the next twelve months.

In matériel the Army's efforts have been directed not so much

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towards expansion as towards the modernization of present equipment, the development of new weapons and the substitution of these for old ones. In the air there has been great progress since the formation of the semi-autonomous General Headquarters Air Force in 1935. As for its airplane strength, though the Baker Board goal of 2,320 Army planes still lies far in the future, the Army has today about 1,000 machines of all types, with perhaps another 700 on order. Technically we are probably ahead of the rest of the world in aviation development; but there is a serious shortage of flying personnel, and there is some divergence of opinion as to the soundness of the Army's present policy of having fewer giant planes, such as the Boeing B-17 famous "flying fortress," rather than more medium-sized machines.

The Army's most serious shortage today is probably in anti-aircraft equipment. It takes several months to manufacture material of this sort, and since it could not be easily procured from commercial sources in time of war, supplies must be accumulated in time of peace. The President has, in fact, asked Congress to authorize $8,800,000 for the purchase of more anti-aircraft apparatus. Such a sum will not go very far, since eight three-inch modern anti-aircraft weapons, with fire control equipment, cost considerably more than half a million dollars. It should nevertheless help to equip Regular Army units and to initiate the equipment of National Guard batteries. The Army (including the National Guard) has today only 42 modern mobile anti-aircraft guns, exclusive of those in our insular possessions and the Canal Zone, and not all of these are manned. The present program calls for completing the equipment of another Regular Army anti-aircraft regiment (which will be the fourth such regiment serving in the United States proper) and for providing the essential items needed by the ten National Guard regiments, the latter now having among them only 14 modern large-caliber guns, with 13 more on order.

In Coast Artillery we are somewhat better off. Panama and Hawaii are strongly defended, though more large-caliber seacoast guns are needed by the latter. Increased attention has also been paid in recent years to modernizing the fortifications along our West Coast. In next year's Army estimates approximately $1,000,000 of the nearly $3,000,000 asked for coast defense is earmarked for the construction of seacoast batteries, and another $358,000 for the procurement and installation of fire control

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equipment. A five-year program for improving our coast defenses — particularly for mounting long-range batteries of eight and sixteen-inch guns and for more railway artillery — was started last year. However, this program, to cost about $15,000,000, is confined to the West Coast; it would take another $34,000,000 to modernize equipment on the Atlantic and Gulf coasts.

Our Field Artillery is still glutted with World War equipment, though much of it has been modernized, as for instance the famous old French 75 mm. guns, of which we have some 4,000 on hand (plus about 400 others of American manufacture). Approximately 1,400 of these have been equipped with adapters, balloon tires, etc., and can now be towed at high speeds behind trucks. This process of renovation will be continued with funds from next year's appropriations. A 75 mm. howitzer, new to our Army, has been adopted and a few are already in service, while the old 155 mm. howitzer has been modernized. During recent field tests in Texas, it rumbled along behind powerful Biedermann towing trucks at 60 miles an hour. Still another new type of gun, the 105 mm. howitzer, has recently been developed. Only seven of these have so far been manufactured, and already trouble has been experienced with their carriage. But though still only an experimental weapon, it will very likely find a place in the army of tomorrow.

Modern weapons of small caliber for infantry use are scarce. The stout old Springfield is to be superseded by the Garand semi-automatic rifle, invented by a War Department ordnance employee, which the Springfield Arsenal, ironically enough, is now turning out at the slow rate of 77 a week. This new rifle costs about $88, which can probably be reduced to $56 if real quantity production is undertaken. The Army is woefully deficient in anti-tank weapons: the best in service are the old infantry 37 mm. and the 50 caliber machine gun. Research and experiment are, however, expected to produce a new and suitable weapon before long. Machine guns of several types — including the Browning, now used as a semi-automatic rifle, and the 30 and 50 caliber models — are available in quantity. On the other hand, there has been a very considerable deficiency in munitions and reserve ammunition. To remedy this shortage, Mr. Roosevelt asked for $2,000,000 in his special message. This sum will provide, of course, but a tiny drop in the bucket of modern war: 150,000 men fighting a major engagement can shoot away $2,000,000 worth of am-

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munition in one day. At Passchendaele the British, laying down the greatest barrage in history, fired four and a quarter million shells, worth about $1,100,000,000.

Our mechanization program has progressed rapidly in recent years. To replace the obsolete wartime Renault tanks, the Army is making at the Rock Island Arsenal a ten-ton light tank, thought to be superior to the light tanks of other Powers. There are now more than 400 of this type on hand. The basic program calls for from 900 to 1,000 light and medium tanks in the Regular Army and National Guard, plus about 230 armored cars. No really satisfactory medium tank has as yet been developed. All in all, the tank presents most difficult problems, for any one of several anti-tank guns can easily penetrate the armor of any tank now in service in any army. Yet to give the tank vastly thicker armor would be to decrease its mobility and therefore its utility. Furthermore, the use of the tank has not yet been clearly worked out: tank tactics preoccupy practically every military magazine in America.

The Army has never been unduly worried about the progress of its long-range scheme for replacing most of its animal transport by motor truck. The United States now possesses one-third of the world's roads and two-thirds of the world's cars; its motor industry is so well developed that wartime needs in standard commercial vehicles could easily be met at the outbreak of hostilities. This obviates the necessity of creating a large peacetime reserve of motor vehicles. The War Department does not intend to motorize completely any existing or contemplated units. Its policy is merely to equip them with enough vehicles to move their artillery, field kitchens and other apparatus, and to maintain them as mobile but not completely motorized units. Under this program, the Army will motorize all its supply and transport trains as well as about 70 percent of its field artillery. For these purposes some 7,000 more vehicles will be needed eventually.

One of the Army's principal aims — one which will probably be achieved this year — is to carry out a thorough tactical reorganization. The overwhelming preponderance of military opinion here and abroad still considers the infantry to be the "queen of battle." The infantry division therefore remains the basic unit in every army. But in ours it is the old, cumbersome division. In the World War it had an approximate strength of 28,000 men, and since has merely been reduced to 22,047. It is largely equipped

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with animal transport; its mobility is further hampered by the presence of units belonging to the various supporting services. Such a ponderous division may have been well adapted for hammering against the German trench system on the Western Front; but in view of modern developments in arms and tactics, it is believed to have outgrown its usefulness.

Last fall a new and smaller division with a wartime strength of 13,512 officers and men was tested on the plains of Texas. This new "streamlined" division, as it is called, is largely though not completely motorized. It demonstrated a high degree of mobility and efficiency during arduous three-months tests. Supporters of this "P. I. D." (Proposed Infantry Division) therefore believed that due to the increased efficiency of modern arms it has the same or even greater fire power than the larger old division, and that because of this increased fire power it is able to cover the same length of front. It is predicated upon the belief that, to quote an Army press release, the "division of future wars will overcome massed man-power by science and strategy in the form of swift and accurate movements." Another release describes it as designed for an "open warfare situation." Some military observers, pointing to Spain, declare there are no grounds for believing that mobile, highly-motorized and mechanized forces can dissolve the stalemate of trench war. But the tests of the "P. I. D." are so attractive in theory and have been so successful in practice that little doubt remains that divisions of this type — probably numbering between 10,000 and 12,000 men, and partially motorized — will replace some or all of the old divisions. This will entail the most complete reorganization which the Regular Army and the National Guard have undergone in several decades.

In number of soldiers under arms and in reserve the American Army stands twentieth in the world today. But from the professional and technical point of view it merits a far higher rating. In military efficiency it is probably inferior to the French and German Armies but superior to the British and to the Japanese. There are American prototypes of "Colonel Blimp," die-hard conservatives, whose only contribution to the military art is an occasional remark: "The army's shot to hell!" But the keener American officers — and they are numbered in the hundreds and perhaps even the thousands — are the equal of those in nearly any army. All in all, they are capable and hardworking. Since the Army's promotion system is based largely on seniority, there is

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much deadwood; as at the beginning of the World War, quite a few senior officers now in service would probably have to be retired for physical disability or other reasons at the start of hostilities. And politics lays its hand on the Army even more heavily than on the Navy, particularly in the selection of the Chiefs of Bureaus and the Chief of Staff. The War Department also has far too many bureaucratic habits and far too much red tape.

It is, of course, impossible to know in advance what use we might have to make of our Army and Navy, other than to defend the territory of the United States — continental and insular. According to the Vinson Bill now before Congress the Navy must be "adequate" to protect both the Atlantic and Pacific coasts, our insular possessions, "our commerce and citizens abroad," and to "support our national policies." In reality, however, neither the Army nor the Navy is at present being prepared to implement any such far-reaching policy. Presumably we have no aggressive designs in any quarter of the world. But what about our existing interests in the Far East and in South America — will we under any circumstances fight to protect them? If so, shall we find it necessary or expedient to undertake joint operations with other Powers in defense of common interests? If so, in what areas and to what extent? Or is it rather our intention to strengthen the Army and Navy to the point where they can singlehanded enforce any policy the American Government believes to be worth fighting for, without needing or accepting outside help? These questions — and the many others which they suggest — cannot, of course, be answered here. But we must keep in mind that they exist; otherwise any discussion of the proposed Army and Navy expansion programs is quite unrealistic.

The Army and Navy are at present prepared to defend both coasts of the United States against simultaneous invasion, and at the same time to protect Hawaii, Panama, Alaska and probably South America from any attacks that can reasonably be foreseen. But they cannot — either with our existing defense establishments or with any now contemplated — defend the Philippines or Guam; they cannot keep the Open Door in China from being slammed in our face; and they cannot protect our commerce and citizens everywhere. The question before the American people, therefore is: Shall the Army and Navy be strengthened sufficiently to enable them to do any one, or all, of those things?

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FROM LENIN TO STALIN

By Paul Scheffer

WE LIVE in a time of planning — even of planned history. History planned means history annulled. Moscow now dictates that the revolution of October 1917 had quite different authors and heroes from those whose pictures hung on the wall of every Soviet office as lately as 1924 and 1925. In those days the counterpart of Lenin's picture was always Trotsky's. The satellites then in the revolutionary planetarium were Zinoviev, Kamenev, Radek, Bukharin and perhaps Kalinin. Stalin was practically unknown till 1923–24. Today the same nails which used to support Trotsky's portrait now support Stalin's. Very often now you see him pictured together with Lenin — Stalin smiling, kindly and faithful. This picture is possible only because it is a reproduction of an oil painting *ad usum delphini*, not an actual photograph.

It would not be so disturbing if history merely had been rewritten for those twenty years since October 1917 (and of course especially for the period since Lenin died, deeply embittered against Stalin, on January 21, 1924). But much more has been done than historical rewriting. History has been corrected not simply by trampling on the reputation of those who once basked in the full if sinister glory of the Bolshevik revolution, but by exiling them as the Tsar exiled them before, and ultimately by killing them. The third of the great trials of the men who ten years ago formed the beginning of a "Rightist" or a "Leftist" opposition was being held as this was written. Whether it will be the last nobody knows. But certainly it will be the last mass trial of those who stood proudly in the first rank during the "heroic days," the days of the Revolution and of Lenin — the last for a simple and sufficient reason: no more of those men will be left.

The following tables give an idea of the transformation that has overtaken the ruling clique of the Soviet state since Lenin's death. While he was still in power, the "Sovnarkom" — *i.e.* the Council of People's Commissars — was the highest executive authority of the Government. When Stalin, self-appointed Secretary-General of the Party, took over the leadership from Lenin during the latter's illness, the center of power shifted to the "Politburo," the highest continuing organ of the Party. The first

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table gives the names and offices of members of the Politburo as of June 6, 1924, just after Lenin's death. The second enumerates members of the Sovnarkom as it was when Lenin died. The third lists other individuals who were close to him. Important offices held subsequently are given in parentheses. Further notations indicate the fate of each person to date (*i.e.* to the end of the "third trial," March 1938).

I. POLITBURO

as of June 6, 1924

TROTSKY
Commissar of Army and Navy
Alternate Member of Executive Committee of Comintern
Expelled from Politburo 1926 *Deported to Turkistan January 1928; exiled January 1929*

KAMENEV
Deputy Chairman of Sovnarkom
Member of Executive Committee of Comintern
Expelled from Politburo 1926 *Executed August 1936*

ZINOVIEV
Chairman of Executive Committee of Comintern
Chairman of Petrograd Soviet
Expelled from Politburo 1926 *Executed August 1936*

BUKHARIN
Editor of *Pravda*
Member of Executive Committee of Comintern
Expelled from Politburo 1929 *Executed March 1938*

RYKOV
Chairman of Sovnarkom
Chairman of Supreme Economic Council
Expelled from Politburo 1930 *Executed March 1938*

TOMSKY
Chairman of Union Council of Trades Unions
Expelled from Politburo 1930 *Suicide when ordered arrested, August 1936*

STALIN
Secretary-General of Party
Member of Executive Committee of Comintern
In office

II. SOVNARKOM

at the time of Lenin's death, January 21, 1924

BRIUKHANOV
Commissar of Food (to 1924)
(Commissar of Finance, 1926–1931)
Oblivion

CHICHERIN
Commissar of Foreign Affairs (to 1930)
Disgraced July 1930 *Died July 1936*

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DZERZHINSKY
Commissar of Railways
Head of the GPU
Alternate Member of Politburo

Died July 1926

KRASSIN
Commissar of Foreign Trade (to 1924)
(Ambassador in Paris and London, 1924–1926)

Died November 1926

KUIBYSHEV
Commissar of Works (to 1926)
(Chairman of Supreme Economic Council, 1926–1933; member of Politburo, 1927–1935; Chairman of State Planning Commission, 1931–1935)

Died (cause uncertain) January 1935

LUNACHARSKY
People's Commissar of Education (to 1929)

Died December 1933

SCHMIDT
Commissar of Labor (to 1927)
Deputy Chairman of Sovnarkom (to 1930)

Oblivion

SMIRNOV
Commissar of Posts and Telegraphs (to 1927)
Member of Executive Committee of Comintern (to 1927)

Deported to Siberia 1928 — *Executed August 1936*

SOKOLNIKOV
Commissar of Finance (to 1926)
Alternate Member of Politburo (to 1926)
(Ambassador in London, 1929–1933; Assistant Commissar of Lumber Industry, 1935–1936)

Arrested 1936 — *Condemned to prison, January 1937*

(also KAMENEV, RYKOV and TROTSKY, listed in Table I as members of the Politburo)

III. OTHERS AROUND LENIN

ENUKIDZE
Secretary of Central Executive Committee of U.S.S.R. (to 1935)

First disgraced 1935 — *Executed December 1937*

FRUNZE
Assistant Commissar of Army and Navy (to 1925)
Member of Executive Committee of Comintern; Alternate Member of Politburo
(Commissar of Army and Navy, 1925)

Died 1925

GAMARNIK
Chairman of Far Eastern Revolutionary Committee (to 1929)
(Assistant Commissar of Defense, 1930; promoted to civil rank equal to Marshal, 1935)

Committed suicide, May 31, 1937, on eve of arrest

KALININ
President of the Central Executive Committee of the U.S.S.R.
(Member of the Politburo, 1926 to date)

In office

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KARAKHAN
Ambassador to China (to 1927)
(Assistant Commissar of Foreign Affairs, 1927–1934; Ambassador to Turkey, 1934–1937)
Executed December 1937

LITVINOV
Assistant Commissar of Foreign Affairs (to 1930)
(Commissar of Foreign Affairs, 1930 to date)
In office

MENZHINSKY
Deputy Chief of GPU (to 1926)
(Chief of GPU, 1926–1934)
Died May 1934

OSSINSKY
Assistant Commissar of Agriculture (to 1924)
(Director Central Statistical Administration 1926–1928 and 1931–1935)
In prison March 1938

PIATAKOV
Deputy Chairman of Supreme Economic Council
(Vice-President of State Bank, 1928–1929; President of State Bank, 1929–1930;
Assistant Commissar of Heavy Industry, 1933–1936)
Executed February 1937

RADEK
Secretary of the Executive Committee of the Comintern
An editor of *Izvestia*
Deported to Siberia 1928 *Sentenced to prison, February 1937*

RAKOVSKY
Former Chairman of the Ukrainian Sovnarkom
Assistant Commissar for Foreign Affairs (1923–1927)
Ambassador in London (1923–1925)
(Ambassador in Paris, 1925–1927)
Deported to Siberia 1929 *Sentenced to prison, March 1938*

SEREBRIAKOV
Assistant Commissar of Railways
First disgraced 1927 *Executed February 1937*

TUKHACHEVSKY
Commander of Red Academy of General Staff
(Promoted to Marshal, 1935)
Executed June 1937

UBOREVICH
Commander-in-Chief of Far Eastern troops
(Commander of Moscow Military District, 1928–1930; Assistant Commissar of Defense, 1930;
Member of Revolutionary Military Council, 1932–1937)
Executed June 1937

VOROSHILOV
Commander of Caucasus Military District
(Commissar of Defense and Chairman of Revolutionary Military Council, 1925 to date;
member of Politburo, 1926 to date)
In office

YAGODA
Member of Presidium of GPU
(Commissar of Interior [the reorganized GPU], 1934–1936)
First disgraced 1936 *Executed March 1938*

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To expand these rather bald summaries [1] would be to expound the history of the first twenty years of Soviet rule. Yet some words of description must be added.

At the same time that Rykov, Kamenev, Trotsky and Sokolnikov were members of the Politburo in 1924 they also held office in the Sovnarkom. In other words, they were trusted by Lenin to act in the latter body while it was still supreme and had not yet been degraded to a purely bureaucratic function. Of the members of the Sovnarkom, only five — Lenin himself, Dzerzhinsky, Kuibyshev, Lunacharsky and Krassin — can be said to have ended their lives naturally and without disgrace. The fate of Briukhanov and Schmidt is not known. Chicherin was dismissed not only on account of ill health, but because he disapproved of Stalin's grant of ascendancy to the Third International in regard to German affairs in 1928–29 and the consequent damage to Lenin's "Rapallo policy." It is further significant that Yagoda (just executed) was the real power behind the throne after 1920. Dzerzhinsky had many other occupations besides his direction of the GPU, and died through overwork. Menzhinsky was a cripple, living on a couch. Yagoda, then, was the backbone of the GPU for fifteen years; and the GPU was, and is, the backbone of the Party system in the U.S.S.R. Again, of the six members of the Executive Committee of the Comintern in 1923, two were executed in 1936, Kamenev and Zinoviev; one, Bukharin, has just been executed. Frunze died after an operation. Radek is in prison. Only Stalin has survived. Of the highest military commanders in 1923, two were shot — Tukhachevsky and Uborevich; Gamarnik killed himself.

Who, in sum, survived of Lenin's guard? It is easier to put the question this way than to list those who were doomed. Old Kalinin, President of the U.S.S.R. almost from the beginning, is still in office, though curbed to the rôle of figurehead. There is Litvinov, who may have had his weak moments in the past but who was clever enough to remain essentially a "technical adviser." Despite the military executions of June 1937, the army seems to have offered some of the safest berths in the whole Soviet structure. Budennyi still carries on, a picturesque but

[1] *Editor's Note.* Five of those listed have contributed to FOREIGN AFFAIRS: Christian Rakovsky, "The Foreign Policy of Soviet Russia," v. 5, n. 4; Karl Radek, "The War in the Far East: A Soviet View," v. 10, n. 4, and "The Bases of Soviet Foreign Policy," v. 12, n. 2; Leon Trotsky, "Nationalism and Economic Life," v. 12, n. 3; V. V. Ossinsky, "Planning in the Soviet Union," v. 13, n. 3; and N. Bukharin, "Imperialism and Communism," v. 14, n. 4.

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unimportant figure, useful with his military mustache to enliven the picture at official ceremonies. One strong man is left, far in the maritime provinces, of no known party activities whatsoever, a soldier and nothing else — Marshal Bluecher. And there is Egorov, appointed a Marshal in 1935 at the same time with Tukhachevsky — but more cautious or more lucky.

Of the "old timers" really near to Lenin nobody has survived either in spirit or in power — neither Rakovsky, Bulgarian by birth, an extraordinary personality; nor Radek, world celebrated intellectual; nor the truly faithful and rather primitive Rykov, Lenin's immediate successor in the presidency of the Sovnarkom; nor Sokolnikov, perhaps the most brilliant of Lenin's closest friends. All have at last been eliminated, if not liquidated. It is interesting to note how many of them were "played along" over the years by Stalin before being made to face their final ordeal. Rykov, Bukharin, Kamenev, Zinoviev, Radek, Piatakov and Sokolnikov, all really were finished years ago. And in the end Enukidze, the blond and rosy Georgian giant, Lenin's shadow, then Stalin's inseparable companion, went the same way.

As we look back, it seems that Stalin during these thirteen years has been evolving a premeditated scheme to seal the doom of all these men — slowly and cautiously, yet inexorably. For the "Trotsky opposition" the year 1926 was crucial. In that year Trotsky, Zinoviev, Kamenev, all the "Leftists," were pushed out of the Politburo with the help of Rykov, Bukharin, Tomsky. Stalin pulled the strings of the marionettes. But then these same marionettes, so eager to help, were pushed out in 1929–1930 on account of their alleged "Rightism." In neither case did expulsion from office lead at once to drastic punishment. They were allowed to linger on, anticipating the inevitable during the night, hoping against hope in the day. Stalin thought that before striking the final blow it would be expedient to remove them from the limelight, meanwhile poisoning opinion against them by forcing them to acts of public repentance.

The world has entertained many theories and has conducted endless discussions about the trials which finally have taken place, with all their accompanying confessions, self-accusations, horrid denunciations of lifelong friends and patent self-contradictions. Theoretically, of course, the possibility has to be taken into account that Lenin's men were in fact, as they have confessed, guilty of sabotage or of conspiracy with Lenin's worst enemies.

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This theory is not accepted to any significant extent by anybody not dependent on the Stalin régime. My personal experience — some of it very recent — leaves me in no doubt that the accusations against these men brazenly overreach the truth. But if the accused are not guilty, what is the explanation of the trials?

In the twenties everybody in Soviet Russia knew that opposition groups existed. Little was known about their struggles and defeats, but they were constantly denounced in speeches and articles. I believe, however, on the basis of firsthand experience during several critical years, that if there were machinations these resembled parliamentarian intrigues far more than terrorist conspiracies. Trotsky in particular had his set of followers, and in 1927, 1928 and January 1929 they hoped that there would be strikes and demonstrations against Stalin in industrial plants around Moscow. Strikes in fact occurred in some cases but were suppressed without difficulty. The "Rightist" opposition never gained as wide influence as the so-called "Leftist" (Trotskyist) opposition. Both groups were carefully watched by the GPU and they impressed the observer as being helpless men struggling desperately to defend theoretical "programs." These people have now been made out to be the most extraordinary and most powerful conspirators known to history, whose innumerable crimes were only detected years later. The turn thus given the old denunciations is explicable only by concentrating on Stalin.

Stalin's personal grievances must be set down as one cause of his actions. Stalin was the Cinderella of the great years of the Revolution. He was ridiculed by those around Lenin, all of whom were permeated by Western civilization and culture, on the score of his primitiveness, his lack of erudition, his coarse rhetoric, his uncouth manner. Still, at that time he was Lenin's faithful dog and they were his friends. But then the dog threatened to become the master. And Stalin has never got over the scathing warning uttered against him in Lenin's testament. The toughest passages were omitted when it was read after his death, but they became generally known. Only Dzerzhinsky could have resisted Stalin's ascendancy. But he died in 1926.

Stalin is a man of deep passion behind a stern façade. He has strong instincts. Even his physiognomy reveals his capacity for thoroughgoing revenge. He retaliated against Lenin's group for what Lenin had said about him, and he retaliated against them too for the supercilious behavior which he had to endure from the

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Zinovievs and Radeks while Lenin still ruled. This Oriental is a master in the art of timing. For a long time he was too cunning to let it even be known what game it was he was playing. Again and again he caught his foes by surprise, as when in the spring of 1924 he suppressed a book about the October revolution which Trotsky, still Commissar of Army and Navy, still member of the Politburo, had naïvely written against Stalin. The more one examines the details of Stalin's stratagems during the past thirteen years, the more one is convinced that everything he has done has been in accordance with a premeditated plan. Extraordinarily consistent pursuit of a single aim over a long period can be the result either of very strong will or an indication of paranoia.

But revenge was not the sole motive. There was ambition, too. What was the basis of Stalin's power even in the face of Lenin, who had been so idolized during his lifetime and who yet could be removed from his pedestal by Stalin in the course of only a few years? While the others were enjoying tremendous popularity, Stalin was quietly building up the Party apparatus in the country. They gladly left him this cumbersome task. And he seemed pleased with relatively unspectacular positions. He appointed forty thousand local commissars, at the same time removing thousands from their posts. Already in 1923 he had come to wield enormous power; and already he knew very well what this performance meant to him and to "the others." He had the instinct of power which they lacked; they knew only its demagogic substitutes. In courting solid power, and trusting that glory would follow, he acted in just the opposite way from his opponents, who became victims of their own mental agility.

So far we have seemed to be giving consideration to only subjective motivations in explanation of Stalin's conduct. Were not his twin passions of jealousy and ambition supported by more objective reasons? Beyond all doubt Stalin is a good revolutionary. His whole life, spent since 1900 in the dangerous anonymity of underground work, proves it. Doubtless he considered the part played in revolutionary Russia by the Trotsky group, the whole crowd around Lenin, to be dangerous if not fatal for the stabilization of the "conquests of the revolution." If "the others" had ridiculed him, he always had despised them in return. He considered them as dilettantes in the art of manipulating power. He did not believe that you can rule a country in the long run by popularity alone. He sought other safeguards to keep up the dictator-

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ship of the proletariat. He organized the Party, he strengthened the GPU. His fist closed around Russia with an iron grip. His watchword was duty, not effusive and unstable devotion. He endeavored to regulate the great and general disenchantment — bound to come after the paroxysms of the first upheaval — without allowing the whole structure to collapse. This much has to be said for Stalin, and it must carry great weight.

The fact is, of course, that the two sets of explanations of Stalin's conduct are inextricably interwoven. Stalin has not refrained from shedding the blood of many Leninists on such flimsy pretexts as their alleged conspiracy with Fascist Powers. Revenge, jealousy and the ambition to be considered the only remarkable person in Soviet Russia must all have worked on him to produce that result. At the same time we must not leave out of account that he felt that complete unity of the Party could not be reached so long as there were centers of crystallization of political thought other than his own person. Cross-currents of opinion have moved ceaselessly in Soviet Russia since 1917. Stalin's golden rule is meticulous precaution. So long as there still existed monuments of a past which did not bear his mark there was a danger of sudden splits. He may have recognized only gradually that matters had to be pushed to the bitter end. After Trotsky had left the Soviet Union, Stalin must soon have realized what a tremendous mistake it had been to let him go.

From that time on, from the suppression of the "Rightist" opposition in 1929–30, he did not allow any resistance to get far. Till then he had utilized such movements to acquire ideas which otherwise he himself would have sadly lacked. He is not an administrative statesman, though he pretends to be. Kaganovich is his *éminence grise*. Stalin himself is a master only in the business of acquiring and retaining authority. It can be shown easily that up to 1930 he adopted the programs of groups that he had persecuted and eliminated on account of holding those very programs. But after his experience with Trotsky he gave up that method. His great idea became that of the "monolithic party." And the more he pushed ahead to realize it, the more sacrifices he had to make to it. It led him finally and unavoidably to his battle against practically all the men whom Lenin had trusted, to "trials" which are based on barefaced lies and lead relentlessly to slaughter. It is all very dreadful and very logical.

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EMBRYO FASCISM IN QUEBEC

By S

IN THESE days of clashing ideologies, nations are studying with unusual care the political philosophies of their neighbors. The United States and Canada, the two North American democracies, have watched with no little interest the tendency towards Fascism in some of the South American republics. Clearly the Monroe Doctrine is no defense against an invasion of ideas. Fascism has put in an appearance in certain parts of North America also. A recent examination of Fascist organizations in the United States indicates that at the moment they are not of great consequence.[1] In Canada, Fascism appears to have made more progress. Quebec, the most French and Catholic province in the Dominion, has in the past two years been the scene of a number of incidents which bear all the marks of Fascist inspiration and leadership and which give evidence of a native movement of considerable proportions.

The outward manifestations of Quebec Fascism run true to type. A strong anti-Communist drive has been organized in the province, backed by all the authority of the present Duplessis government and the Catholic clergy. The inhabitants are daily being told that Communism is the greatest evil of the age, that it is rampant in Canada, and that it must be sought out and exterminated. In the name of law and order, traditional liberties hitherto enjoyed by the citizens have been taken away. In March 1937 the Quebec legislature adopted the Act Respecting Communistic Propaganda,[2] popularly known as the "Padlock Act." Under this statute the Attorney-General of Quebec may, without the necessity of any judicial authority, place a padlock on any house or building which he suspects of being used to "propagate communism or bolshevism." The owner of the property must then come before the court and prove his innocence if the padlock is to be removed, and no appeal lies from the decision of a single judge who hears the case. The words "communism" and "bolshevism" are left undefined. In addition, the printing or distributing of any literature propagating or "tending to propagate"

[1] Frank C. Hanighen: "Foreign Political Movements in the United States," FOREIGN AFFAIRS, October 1937.

[2] Quebec Statutes, 1 Geo. VI, cap. 11. The term "communistic" is significant; the Statute aims at ideas far wider than Communism.

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these doctrines is prohibited, and the police are given power to enter any house, also without judicial warrant, and to seize and destroy any literature so used. No charge is laid against the owner of the literature and no court reviews the selection made by the police. Such unlimited powers of police censorship and invasion of private homes, such deprivation of the right to trial in open court before sentence, have never been known in Canadian law since the country became British. Yet, because of the clerical sponsorship of the Padlock Act, not a single vote was cast against it in a legislature of 115 members.[3]

Actually there is little evidence to suggest that the Communist Party has any following in Quebec outside the industrial areas of Montreal. Even there its candidates have never succeeded in polling more than a few thousand votes at any elections. In all the ten legislatures of Canada only one Communist is sitting,[4] and the strongest unit of the party is not in Quebec but in Toronto. A membership of 15,000 in the entire Dominion is probably a conservative estimate. The Communist Party in Canada, as elsewhere, has lost most of its revolutionary ardor, has liquidated its separate trades unions and defense organizations, and is now following, without marked success, the Popular Front tactics. So little fear of the movement is felt in English Canada (where Communists are as free as other parties to propagate their beliefs) that in 1936 the Dominion Parliament repealed Section 98 of the Criminal Code under which Communist leaders were jailed in 1931. Yet the Padlock Act is now enforced throughout Quebec against this largely imaginary enemy. In three months, a newspaper office, an alleged "communist school," and two other suspected places in Montreal have been padlocked, and some sixty bookstores and private homes have been raided for dangerous literature. The public has no means of knowing what justification there is for any of these applications of the law.

The attack on civil liberties is also showing itself in ways that do not involve the Padlock Act. A Baptist Mission in Quebec City has recently been told that it may not distribute Bibles to the people;[5] members of the sect known as the Witnesses of Jehovah have been persecuted frequently on charges of "sedition." The incidents which have attracted most attention have

[3] The eleven non-French members of the Quebec legislature also voted for the law.
[4] In Manitoba.
[5] *Montreal Gazette*, February 7, 1938.

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been the banning of public meetings of alleged "reds" by the civic authorities in Montreal. On two occasions this was done after organized bands of students from the University of Montreal had threatened riots unless the step was taken. These demonstrations of students, which resulted in the smashing of windows in Jewish shops and minor disorders in the streets, were not only carried on under the sympathetic eyes of a tolerant police force, but received public approval from both M. Duplessis, Premier and Attorney-General, and Cardinal Villeneuve, head of the local hierarchy. In November 1937, acting under such pressure, the Mayor of Montreal refused to allow General Yakhontoff, the well-known author, to address a meeting, and shortly afterwards cancelled a talk on the *Front Populaire* of France by Réné Costes, a Communist member of the French Chamber of Deputies. The latter incident is illustrative of the divisions of opinion in Canada today; it meant that the citizens of the largest city in the largest British Dominion were prevented by a French Canadian mayor from listening to an elected representative of France, Britain's most important ally, who wished to describe the activities of the French government of which he was a supporter.

Meanwhile Fascist political groups have been organizing in the province without any interference from the police or disapproval from the clerical authorities. The Italian and German colonies in Montreal are reputed to be centers of Fascist propaganda, but their numbers are small. It is amongst the French Canadian youth that organization has proceeded farthest. A variety of groups exist, evidencing varying degrees of Fascist behavior. There are, first, numerous youth organizations such as the *Jeunesse Ouvrière Catholique*, the *Jeunesse Agricole Catholique*, and the *Association Catholique de la Jeunesse Canadienne Française*, which are not strictly Fascist but which are under a control and discipline not unlike that of a Fascist party. The National-Corporatist Movement, which emphasizes particularly the economic aspects of the corporative state, professes to speak for 33,000 supporters, and to have its organization in 1,245 parishes. The National Social Christian Party, under the leadership of Adrien Arcand, is the most aggressive and the most complete copy of European Fascism, as its name implies. It has adopted the swastika emblem, the usual shirt (blue), and is violently anti-Semitic.[6] Its lieuten-

[6] The French Canadians, though staunch defenders of "minority rights," are apt to define the term so as to exclude Jews.

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ant, Dr. J. G. Lambert, now before the Quebec courts on a charge of inciting to riot, claims a membership of 15,000.[7] He is drilling his followers in military fashion, and predicts his achievement of power within three years. The party has units in many centers in the province. Recently M. Bouchard, leader of the small Liberal Opposition in the Legislature, has said that in addition to these known groups there is a secret Fascist organization which includes even high officials in the present government.

Along with suppression of civil liberties and the growth of Fascist political groups there is proceeding a subtle form of propaganda which tends to promote Fascism, though this is not said to be its purpose. The Catholic Church, through its educational institutions, is teaching "corporatism" as the best solution of contemporary social and economic evils. The legislation adopted at Quebec is becoming increasingly impregnated with this philosophy. In the "corporatist" state which is being aimed at, every trade and industry will be organized into a "corporation" in which employers and employees will be equally represented. Professions, such as law and medicine, will be similarly organized — only with the lesser forms of labor unrepresented, much as at present. To these corporations will be entrusted the management and regulation of all matters affecting their members. Parliament will apparently be replaced by a Chamber of Corporations. Such a corporatist society would be authoritarian from the start; existing class and property relations would be perpetuated, and a small number of employers would in the corporation be given voting and control rights equal to those of the representatives of the much larger number of workers. The protagonists of the system usually refer to Austria or Portugal, sometimes to Italy (where the resemblance is close), as countries whose evolution they wish to follow.

These are the principal forms which the Fascist movement in Quebec is taking. The description will have made it clear that the term "Fascist," as that word is used in respect to Italy or Germany, must be applied with certain reservations. The situation in Quebec is peculiar. The National Social Christian Party is undiluted Fascism, but it has no great influence as yet. The legislature that unanimously passed the Padlock Act did not contain a single member who called himself Fascist. The great majority

[7] These figures are considered by many observers to be greatly exaggerated, but reliable statistics are not available.

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were simply obedient Catholics carrying out the request of their spiritual leaders. The denunciations of Communism and of freedom of speech, the expressions of congratulation and approval to the young men who demonstrated on the streets of Montreal, did not come from avowed Fascists, but from the leaders of Church and State. Cardinal Villeneuve himself has recently stated that he is not interested in Fascism;[8] yet he has invited the students to demonstrate in the same way on future occasions, and has used these significant words on the question of the legality of their procedure:[9]

"Si l'on argue que c'est contre la loi, je reponds qu'avant la loi il y a le droit de nature. Rien dans la loi ne me confère le droit de marcher sur les pieds plutôt que sur la tête. C'est la nature qui me le donne et il me suffit."

Thus the breach of public law is justified by an appeal to the "law of nature," which in Quebec means the Canon Law. This is not Fascism, but its effect is to free men from their allegiance to the existing law of the land and to make violence appear a virtue so long as it is directed against someone whom the clerical authorities dislike. As in all primitive societies, the "outlaw" has no rights. In such an atmosphere Fascism takes ready root, and the practice of democratic toleration appears definitely sinful.

There is another factor in the Quebec situation which differentiates it from the more avowedly Fascist régimes. The large industrial and financial interests are not supporting the political movements, for the very simple reason that "big business" is for the most part English or American and is consequently the object of frequent racial attacks by the young French Canadians. The rich forest, mineral and water power resources of the province have been developed by non-French corporations; the trusts and semi-monopolies, the chain stores, banks and railways, have very few French Canadians on their boards of directors. A feeling that the French are hemmed in and subjugated economically in the land which their ancestors settled over three centuries ago is a potent influence in Quebec stimulating the present nationalist movement. French Canadian nationalism is wider and deeper than the Fascist movement, and yet most of the Fascist groups are also nationalist. Fascism appeals as one way of reconquering Quebec for the French Canadians, getting rid of English institu-

[8] Speech of August 2, 1937, reported in the Montreal press.
[9] Quoted in *La Presse*, Montreal, November 7, 1937.

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tions like parliaments and parties, and giving the race a distinctive political framework in North America. Part of the nationalist movement, carrying this idea to its logical conclusion, is outspokenly separatist, and looks to the creation of a French-Catholic authoritarian state on the banks of the St. Lawrence. The permeation of Quebec Fascism by these racial, religious and nationalist elements makes an alliance with English groups unlikely. At the same time, the denunciation of Communism and the attacks upon international trades unions and the C. I. O. that have gone on in Quebec suit the purposes of Montreal's English financiers well enough, and no championship of provincial democracy has come from that quarter. So long as the local Fascists content themselves with battling hosts of imaginary Communists, English capital is content; the attitude would change if the Fascist movement really became powerful enough to give expression to the nationalist demand for the "refrancisation" of the natural resources of the province.

If, as seems to be the case, there is no strong Communist movement afoot against which the Quebec authorities need to use these undemocratic devices, and if no frightened capitalists are financing the local Fuehrers, how are we to explain the marked tendency toward Fascism and dictatorial behavior in Quebec today? The answer to this question cannot be given until the recent developments are seen in their wider social setting. They are merely symptoms of an unrest that is evident in the whole of French Canada. Quebec has always been one of the most law-abiding, conservative and Catholic countries in the world. The French Canadian has hitherto successfully resisted the forces that would draw him into the vortex of North American life. His language, his race, his religion, his culture are constantly in danger, if not of extinction, at least of dilution and — to him — adulteration. For centuries he has fought to preserve his identity. In that struggle the Catholic Church has been his strongest supporter, for it saw in the differences of race and language a potent barrier to the kind of intercourse with non-Catholic America which leads easily to toleration, anti-clericalism and free thought. Thus the struggle which has been so valiantly and successfully waged in French Canada since the capture of Quebec in 1759 is seen on analysis to have a dual basis; it is the struggle of a minority race to survive with its language and culture in an alien environment, and the struggle of the Catholic Church to maintain its dominant position

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over that minority by acting as the champion of its rights and the defender of its traditions. So well has this rôle of national champion been played that the French Canadian has become firmly convinced that the abandonment of his Church would be followed by a double penalty — the loss of his racial identity in this world, and the loss of his soul in the next.

Because of this careful identification of interests the Catholic Church enjoys in Quebec privileges which it possesses in few other countries of the world. Legal protections exist on every hand. Tithes are still paid by the country inhabitants, and they constitute an annual charge enforceable at law against the crops and given priority over claims of ordinary creditors. When a Catholic church or presbytery is to be built, the ecclesiastical authorities have the right to impose upon each of the Catholic parishioners a share of the cost, which becomes a privileged mortgage on their real estate, also enforceable by legal action. As assessment rolls are changed every five years only, even a non-Catholic must pay this assessment until the revision if he purchases property on which the charge rests. Bonds issued by religious corporations are trustee securities, yet a Quebec court has recently held that when a parish goes bankrupt the holders of bonds cannot enter upon the property which is pledged as security and bring it to sale, since church property cannot be so treated. No lands or buildings used for church purposes are liable to municipal taxation, and the Church is the wealthiest landowner in the province. Education is, so far as French Canadians are concerned, a matter of religion; every bishop is *ex officio* a member of the Catholic Committee of the Council of Education, and the clerical members always constitute half the total number of the committee. There are no state schools distinct from those under clerical management. In the everyday affairs of the community the Church takes care to provide Catholic societies to fill every social need of the people so as to prevent their joining "mixed" or "neutral" societies, which are in every way discouraged. This policy is particularly evident in the encouragement of the Catholic Trades Unions and in the warnings given to avoid the international unions.

From time to time in the history of Quebec, however, nationalist aspirations and Catholic interests have not coincided. When Louis Joseph Papineau raised a rebellion in 1837 against the English oligarchy that was then dominating Lower Canada,

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he was fighting for principles of civil liberty that the Church could not sponsor; the clergy opposed the rebellion, and Papineau died a Protestant. The youthful Wilfrid Laurier, later Prime Minister of Canada, was bitterly attacked by the clergy in Quebec because of his liberalism;[10] for it must be remembered that the Quebec hierarchy condemned liberalism in the nineteenth century exactly as they have condemned Socialism and Communism in the twentieth. Laurier fought the Dominion elections of 1896 against the entire weight of the Church; priests had gone so far as to refuse absolution to Catholics who voted Liberal; yet the French leader was given a large majority even in his own province. The pull of nationalism overcame the dictates of clericalism. The same conflict is evident in the Church's attitude toward France. An intelligent nationalism would make the French Canadian wish to maintain constant relations with his mother country. A close cultural alliance would enable him to enjoy the encouragement and stimulus of the great stream of modern French art, literature and thought. Yet nothing would be more abhorrent to the clerical group, for while old France is admired, modern France is thought of as the country of the Revolution, a persecutor of the Church, a land of atheists and radicals. The great masters of French literature are not sold in French Canadian bookstores if their names are on the Index, except surreptitiously. Recently the Quebec censors even banned the film "The Life of Émile Zola." They gave no reasons; but did it not glorify a man whose writings the Church has forbidden the faithful to read? Catholic influence has turned the French Canadian against France, whereas for his own advancement and for the greater spread of French culture in North America he needs coöperation with France.

In no way does the present clerical control in Quebec conflict with the national needs of French Canadians more than in the matter of education. The otherworldly character of the present schools, the emphasis on Thomist philosophy and the classics, the lack of scientific and technical courses, the continual subjection of the pupil to dogmatic instruction, the small encouragement given to independence of mind — all these combine to turn out

[10] See Siegfried, "The Race Question in Canada" (London, 1907), p. 194–5. The University of Montreal Calendar for 1928–29 contained the following warning to parents and students (p. 19): "On apportera une vigilance particulière à empêcher les élèves des Facultés laïques de se laisser séduire par les théories spécieuses et de tomber dans les filets de l'erreur. Parmi ces théories erronées figurent le matérialisme, le libéralisme et le modernisme." Precise directions follow for eradicating each of these three errors from the student mind.

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graduates who, while well versed in some of the humanities, are not only ill-prepared for life in industrialized North America but too often lack the initiative and imagination that would enable them to rise to positions of authority in the modern world. French Canadians frequently complain that they are "hewers of wood and drawers of water" in their own country and blame the English for this state of affairs, but boys and girls who are taught always to obey their superiors without question are likely to find themselves in this position. It has been observed that Sir Wilfrid Laurier, probably the greatest statesman French Canada has produced, came under the influence of a Scottish Presbyterian schoolmaster in his youth and read his law at McGill University. Recently the teaching of English in French schools has been postponed until the fifth grade, which means that a large proportion of the children will have left school for jobs in shops and factories without having learnt any English at all. Visitors to Montreal may have noticed two large edifices on the northern slopes of the mountain round which the city is built; one is the shrine erected to Brother André, the miracle-worker and healer, the other is the new quarters for the University of Montreal. The shrine has no lack of funds and has just added the largest dome in America; the university is incomplete and empty, starved for money. These two buildings symbolize the underlying conflict in French Canada today.

Quebec has only 26 public libraries, of which 17 are English Canadian, in a population of nearly 3,000,000; Ontario, the slightly more populous neighboring province, has 460. The circulation of books is 0.4 per capita for Quebec, 4.1 for Ontario.[11] The infantile mortality rate in Quebec for 1935 was 92 per 1000 live births, the highest in Canada; the industrial town of Three Rivers actually had a rate of 222 per 1,000 live births in that year, and Quebec City one of 101.[12] The death rate from tuberculosis is more than twice that in Ontario. Women have no vote in the province, are barred from most of the professions, and if married are by law greatly restricted in their capacity to contract without their husband's consent. There is no civil marriage, no divorce,[13] and no compulsory education. The spoils system is rife in the provincial civil services, and democracy is blamed for the corrup-

[11] Report of M. Félix Desrochers to the French Language Congress in Quebec, 1937.
[12] "Canada Year Book: 1937." The rate for Canada was 71.
[13] Individuals who can afford it may however have their marriage annulled by a private bill in the Dominion Parliament.

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tion of the politicians. Social and industrial legislation has made some progress in recent years; there exist such measures as old age pensions, wages and hours control through collective labor agreements, workmen's compensation laws, and widows' allowances; but standards are low considering the degree of industrialization and many abuses go unchecked. A recent minimum wage ordinance, affecting over 100,000 employees, proposed minimum hourly rates as low as 15–25 cents per hour, yet this was expected to raise current rates anywhere from 5 to 20 percent.[14] The same ordinance (which has not yet come into force) has established $400 per year as a minimum salary for a school teacher — a considerable advance for most teachers employed in the Catholic schools.

These facts are given, not as presenting a whole picture, but as illustrating the existence in Quebec of a degree of backwardness, judged by modern social standards, for which both the clerical and lay authorities must take the blame. The answer repeatedly urged, that the French Canadian is more interested in "spiritual" things and is not so "materialist" as his neighbors, is merely a myth created to allay discontent. There is nothing very spiritual about a high death rate amongst babies or the rearing of large families on subsistence wages.

What is now happening in Quebec is that, after many years' comparatively slow social progress, the people have at last begun to call for action. The need for reform is producing the will to reform. New groups and alignments are coming into existence; old parties are being stirred to action. One big change has already occurred — the ousting in 1936 of M. Taschereau and his Liberal Party, which had become atrophied and corrupt after holding office for forty years, and the coming into power of a new party, the *Union Nationale*, under the present premier, Maurice Duplessis. This of itself was a minor revolution, and though the cynics remark that there is little improvement, the process of change is only just beginning.

At the same time, as has already been intimated, a great revival of French Canadian nationalism has taken place. The nationalist movement is possibly the dominant driving force in Quebec today. Except for some of its extreme expressions in separatism and a narrow racialism, neither of which is truly representative,

[14] It is typical of Quebec that this proposed ordinance was not made to apply to employees in religious institutions. Their wages may be below the minimum.

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it is one of the most hopeful forces stirring in the Dominion. Out of it is bound to come reform. A few years ago it seemed as though the extremists might get the upper hand, but many indications today point to the revival of a new liberalism in the province which will lead the nationalist movement into the fruitful path of social reform, educational improvement and economic reconstruction. French culture and influence in North America will be the greater if this result is achieved.

Such a national awakening is bound to make people question the utility of some of the privileges which the Church now enjoys in Quebec. The rising demand for change thus begins to threaten the totalitarian control of the clergy. There is not yet an anti-religious movement in the province; there is little anti-clericalism visible, though one meets it frequently in private conversation; but there is considerable evidence of a desire to see the clergy confine their ministrations to a much narrower and more exclusively spiritual sphere. The Church is sensitive to this pressure, and is determined to yield as little as possible. It is the effort on the part of the Church to prevent the spread of anti-clericalism and anti-Catholic doctrine which accounts for many of the manifestations in Quebec that are called Fascism. The people are being steered or frightened away from a path which it is feared they may wish to travel. The experiences of Spain and Mexico, constantly held up to the French *habitant* as examples of the dire consequences which follow from tolerating Communist propaganda, are sought to be avoided by a tightening of the control and a stricter supervision of the agencies of public information. Hence the Padlock Act emanates from clerical sources: it is students, at all times under clerical authority, who demonstrate in Montreal; it is the religious bodies which supply the literature on "corporatism," and sanction it with references to papal encyclicals. The democratic state — in the sense of a state which is neutral toward religious beliefs, political theories and economic doctrines, and which merely demands that constitutional methods must be followed in their propagation — is a state which has never been accepted, save as a political necessity, by Catholic dogma, and Cardinal Villeneuve has recently denounced it in no uncertain terms in Quebec.[15] The Church is simply striving to make Quebec's political life conform as far as possible to the Catholic concept, in which truth is Catholicism, error is anything non-

[15] See *Le Devoir*, Montreal, January 31, 1938.

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Catholic, and liberty is liberty to speak and live that truth.

To explain the Quebec situation in these terms is not to explain away Quebec Fascism. Something so close to Fascism as to be scarcely distinguishable from it may yet come to power in Quebec if the reviving liberalism is crushed. The Church is still immensely powerful. Austria,[16] regarded as a Fascist state by most democracies, is thought of as a good Christian society by most French Canadians. The sympathy for other Fascist countries is very noticeable; the province was on Italy's side during the Abyssinian dispute, and is overwhelmingly in favor of Franco in Spain. De la Rocque, before his recent decline in France, was given great prominence in papers like *Le Devoir* of Montreal. The police recently stopped a parade in Montreal organized to call for a boycott on Japanese goods. Hitler having persecuted the Catholics, Germany is not admired; a sharp distinction is always made between Nazism and Fascism. Nazism and Communism are condemned together, but when a daring Liberal suggested that the Padlock Act should be made to apply to Fascists as well as Communists, M. Duplessis refused to comply. So long as the avowed Fascist groups make it clear that the totalitarianism they seek is a Catholic totalitarianism, they are likely to receive no opposition from the clergy, and from certain clerical quarters they will continue to be actively supported.

Moreover, the clerical control in Quebec accounts for part only of the present trend. Economic conditions in the province create a soil for Fascist ideas. For several years the young French Canadian has found employment difficult to obtain; even today Montreal has a relief roll of approximately 135,000. Poverty and luxury exist side by side. The big "trusts" to which he looks for work are under English control. The old political parties have been hidebound and corrupt. It is not surprising that with his instinctively authoritarian outlook due to his education, with ideas of change in the air and with the Fascism of Italy and Austria to encourage him, he should express his sense of frustration and injustice in a Fascist manner. He is a product of the system, and the system is one which the English as well as the French have made. Thus the economic and social conditions combine with a militant Catholicism to push certain individuals in the direction of Fascism. For that reason the Fascist movement may be expected to increase for some considerable time.

[16] Before the recent alliance with Hitler.

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In the writer's opinion, however, the people of Quebec will not be drawn into a political Fascist movement in any large numbers. They have always shown, in the long run, a practical common sense and a sturdy individualism. Being of French blood they are as little given as are Anglo-Saxons to political subjection. The majority realize the need for compromise with the other races and religions amongst whom their lot is cast. A clerical Fascism in Quebec, or indeed any Fascism in Quebec, will inevitably provoke the hatreds and tensions that Fascism everywhere creates, and when violence is unleashed a minority race would not fare very well in Canada. Perhaps the more liberal sections of the clergy realize that even the Catholic Church has need of democracy. Just as Cardinal van Roey opposed the Belgian Rexist leader, Degrelle, and Cardinal Verdier extended a friendly hand to the French Communists, so the Catholic hierarchy in Quebec may decide not to ally itself so completely with the political "Right." If this decision is made in time, the Church in Quebec will escape the fate which befell it in Mexico and Spain.

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ATLANTIC AIRWAYS

By Edward P. Warner

THE idea of linking continents by air has always had a romantic appeal. Even before the World War students of aëronautical technology were speculating upon the conditions that would make trans-oceanic service possible. The war in fact interrupted a well-prepared American project for an experimental flight across the North Atlantic. And the Versailles Treaty had not yet been signed before a half-dozen competing camps were established in Newfoundland by contestants for the late Lord Northcliffe's prize of ten thousand pounds for the first aviator to cross the Atlantic. It was not, however, until Lindbergh's sensational flight in the summer of 1927 that the general public came to regard regular trans-oceanic air communication as within the realm of possibility.

Now the problems of intercontinental air communication are in two categories: technical and political. In the first place, it is necessary to produce an aircraft that can make the required flight, not merely as an occasional stunt performance under carefully chosen conditions, but over and over again on a regular schedule with a load that will pay for at least a part of the expense involved. Then, assuming that there is an aircraft physically able to make the flight, comes the question: Will all the various governments concerned allow the flight to take place?

In 1919 it was only the technical obstacles that seemed to matter. Could an airplane be built capable of crossing the Atlantic? That was the prime question. Political and legal difficulties were not anticipated. It was assumed that in the new and supposedly reformed postwar world a certain freedom of commerce would naturally prevail. The work at Paris had, indeed, included an International Air Navigation Convention establishing the freedom of innocent air passage in time of peace as a fundamental rule of international conduct. Private planes are thus free to voyage by air, at least in the thirty-two countries which have ratified this convention. These ratifying powers include most of Europe (except Germany, Hungary, the Baltic States and Russia), a large part of Asia and a small part of the Americas. But this recognition of the amateur flyer's right of passage does little direct good to air transport, for Article 15 of the convention

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provides that "The establishment of international airways shall be subject to the consent of the States flown over." A conference attended by both ratifying and non-ratifying Powers was held in 1929 to discuss the convention's future. At this conference it was moved that the free operation of transport lines be recognized as an inherent right subject only to police regulations. This motion received but four votes out of thirty-one. It is noteworthy that the United States and Great Britain, together with Sweden and the Netherlands, favored freedom; but that France, Germany, Italy, Portugal and Brazil opposed it. Even on a much milder proposition, that permission to operate transport lines be withheld only on "reasonable grounds," the vote was unfavorable; Italy, Germany and Portugal were again among those opposed, although on this issue Brazil and France had shifted to the affirmative side. It is no wonder, then, that since 1919 the freedom of international air traffic has become more and more circumscribed, until today the operation of international civil airlines is regarded as a special privilege to be granted by one government to another only after negotiation and on a strict *quid pro quo* basis.

In considering the future of air transport it is necessary to remember that legally the sea is free but the air is not. The great seafaring nations long ago discovered that in time of peace their interest lay, not in restricting one another, but in insuring universal freedom for their own commerce. This interest is reflected in the evolution of international maritime law according to which not only the high seas but the ports of every nation are open in peacetime to the shipping of all others. The goods that ships carry may be restricted, but the ships themselves may not ordinarily be refused the right of passage or of entry. Now one might suppose that the Great Powers would find freedom as advantageous in the air as on the sea. But if this supposition were correct, aërial intercourse would not be impeded by the long and painful negotiations which today must precede the creation of any international air route.

We must therefore conclude that the Great Powers do not regard the free development of international air commerce as a primary factor in determining their national policies. There are three reasons for this indifference. First, the promotion of air commerce is not judged on its own merits but in relation to the airplane's other possible employments. When, for instance, a state demands the right to impose not only quota restrictions but

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even an absolute veto on foreign commercial flights over its territory, it is moved in part by the fear that foreign aircraft may provide convenient instruments of espionage and that pilots who fly a commercial route in peace may be learning to fly that route with a different cargo in time of war.

Second, the typical international airline lies for the greater part within the jurisdiction of foreign governments. The home government is thus unable to exercise as much control over its planes engaged in international commerce as over its ships on the high seas. For instance, there are only small stretches of "high sea" on the air routes from Europe to Asia.

Third and most important are the commercial factors and the spirit in which they are regarded. Unfortunately, this spirit is conditioned by the autarchic and protectionist dogmas so widely held today. Those who hold to these doctrines argue that other nations have low standards of living and hence low costs; that their inhabitants are furthermore potentially guilty of all sorts of unscrupulous practices in the quest of gain; that therefore, the aërial operations of those nations, instead of being allowed to evolve freely under the give and take of international competition, must be strictly regulated and limited. The practical manifestations of this logic are various. In some cases the limitation merely fixes the maximum number of air schedules that can be operated within a given time. In other instances it goes so far as to compel foreign companies, on pain of losing their right to operate, to share their business and receipts with a local company, however ineffectually the latter may be run.

In negotiations between leading commercial states, such as the United States and Britain, this factor of commercial adjustment is the greatest obstacle to an agreement. The difficulty commonly lies less in any unwillingness to come to terms than in the necessity of exactly balancing the gain and loss involved in each separate route. The most troublesome occasions occur when one party needs a concession, however small, and has nothing immediately to offer in return. For example, when American operators sought to lay out Caribbean routes, they encountered strong opposition from both the British and French Governments. In the British colonies the Americans at first received only a temporary permission; in the French they long met insurmountable barriers.

The United States has not been backward in protecting its own

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commercial interests before allowing foreign companies to operate lines to this country. The trans-Atlantic commercial flights of the *Graf Zeppelin* and the *Hindenburg* were officially recognized as merely "experimental," and were carried on under an American permit, granted for that purpose only and periodically renewed for stated numbers of flights.

But these commercial obstacles are relatively simple and can be dealt with by straightforward commercial negotiations. Much more tortuous are the problems arising from the determination of certain countries to exploit to the utmost the political advantages of their geographical situations. Airlines often have to pass over the territories of nations in which the operating companies have little commercial interest. It also frequently happens that plans for passage over the high seas call for refuelling halts at various intermediate points. In both cases the consent of the state flown over or into is required; and where that state has itself little commercial interest in the establishment of the service, it is in a position to exact the maximum compensation which it calculates the prospective traffic can be induced to bear.

These compensations take many forms; and the art of devising them and of superimposing one upon the other has been highly developed in those countries of the Near and Middle East across which the British, French and Dutch lines from Europe to the Indies have had to pass. These lines have been required to make stops for which there is no commercial reason; to employ personnel, nationals of the territory flown over, that they do not need; and to participate in various complicated divisions of traffic and of revenue with local enterprises. In at least one case, the initial demand is reported to have been that all revenues derived from the carriage of traffic across the territory of the given state be turned over to local aëronautical interests.

But after all, the object of the offending state in these instances is to determine the maximum that the traffic will bear, and then let the traffic bear it. The purpose is not to kill the goose that lays the golden eggs. There is, however, the case in which a government does not care whether the line operates or not: it grants foreign lines permission to operate across its territory only in case such action furthers its general diplomatic policy.

Now what application do these generalizations have to the air routes of the Atlantic?

It is easy for Americans to assume that communications be-

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tween Europe and South America are of negligible importance in comparison with those between Europe and this country. The volume of trade across the South Atlantic is indeed relatively small; but other factors besides mere volume have made the South Atlantic interesting to European governments. Commerce between the United States and Europe has reached a degree of stability and sophistication that makes its distribution largely independent of such considerations as political prestige. Regardless of which nation establishes an airline across the North Atlantic, the business men of all countries will patronize it and little special advantage will accrue to the nationals of the Power that sponsors it. But the airlines of France and Germany to South America have raised the prestige of those two countries on that continent, and this in turn has been of tangible benefit to French and German industry. No less important has been the political advantage obtained by European governments in return for showing solicitude in improving communications with the principal countries of South America. The nations of Southern Europe seek by this means to keep alive the ties of sentiment springing from a common Latin origin; while Germany desires to maintain easy and frequent contact with the numerous Germans who have settled in South America and whose German spirit she wishes to preserve.

Another merit of the airlines to South America is that they have helped open that relatively isolated and undeveloped continent. Hitherto South America had possessed little air transport of her own; furthermore, she lacked the resources for providing herself with such facilities in the near future. The European and American airlines have therefore been important elements in speeding up the tempo of her aviation development. At the same time, these companies found in South America an ideal outlet for investment and for developing operations closely coördinated technically with those at home.

Last but not least, geographical and meteorological considerations made communication by heavier-than-air craft much simpler between South America and Africa than between North America and Europe. Either route is, as regards length, an easy one for the rigid airship, which has an economical cruising radius three times as long as that of any airplane that can now be constructed. But the lower speed of the lighter-than-air craft, its enormous initial cost, the elaborate ground organization required,

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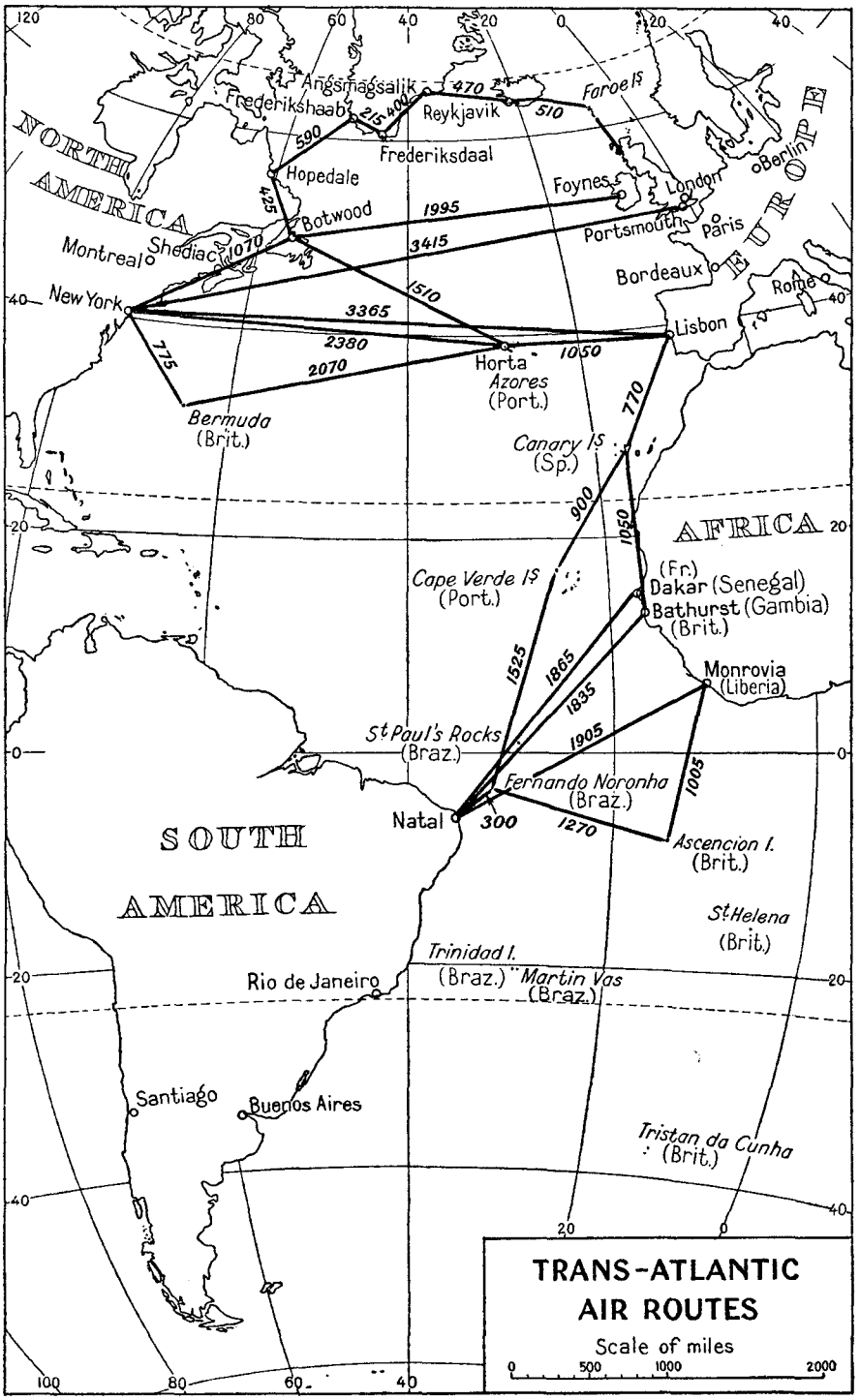

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and the bad accident record of dirigibles have all been handicaps which only the Germans have overcome.

Theoretically it is possible to cross the North Atlantic with no single hop longer than 590 miles (less than the distance from Washington to Chicago), and the South Atlantic with 1,270 miles as the longest single flight. The first westward air crossing of the North Atlantic was made via the Orkneys-Iceland-Greenland-Labrador route when the United States Army around-the-world squadron flew from Europe to America in 1924. Pan American Airways and Deutsche Luft Hansa (which has a virtual monopoly of German air transport) have both made official surveys of the Arctic route. Furthermore, there have been negotiations with Denmark with a view to obtaining flying rights in Greenland and Iceland. But the great barrier to regular flying on this route is the weather. The harbors of Greenland and of Labrador are closed through a major part of the year; indeed, in the case of Greenland it is uncertain that they will be open at all. Our Army squadron made its westward flight in August; even so, it held up its departure from Reykjavik for several weeks while naval vessels and their scouting aircraft vainly explored the east coast of Greenland for a harbor free from ice. Operations on this route would be not merely seasonal, but uncertain at the best of seasons. It can be used only as a last resort. But progress in aëronautical science has rendered so undesirable an expedient unnecessary; the aircraft designer has now made it possible to fly straight across the Atlantic.

The non-stop route next in order of length is that via Newfoundland and the Azores, used by the Navy's flying boats in 1919 on the first West-to-East crossing of the North Atlantic. The longest single flight on this route is 1,510 miles — or about 1,470 if the easternmost point of Newfoundland is used in place of the new trans-Atlantic air base that the British have developed at Botwood. These distances are still a little shorter than the shortest possible jump across the South Atlantic, if the exceedingly roundabout route via Ascension and St. Paul's Rocks is excluded. And as a matter of fact St. Paul's Rocks can well be left out of account as an intermediate base despite their ideal location, for they break the water on an area less than 200 yards in diameter. They once were proposed as a refuelling point for an experimental flight, and a successful landing was actually made alongside them; but the seaplane used on that occasion was later wrecked. Since then no

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trans-Atlantic plane has ever attempted to rise from the water at St. Paul's Rocks.

The over-water distances from Newfoundland to Horta and from the Cape Verde Islands to Fernando Noronha, off the coast of Brazil, are almost equal; but circumstances make flights over the two routes very different propositions. The aviators who sought the Northcliffe prize in 1919 all came to Newfoundland to fly from West to East; and after Lindbergh's flight in 1927, when the British aircraft industry was being heckled for its failure to duplicate the feats of American machines and pilots, its principal spokesman observed that: "We have the greatest respect for the high qualities of American airplanes and engines, but unfortunately they do not carry as regular permanent equipment the 30-mile tail-wind which they have exploited so successfully upon the Atlantic." From Europe to the United States through the air is, in terms of the total work which an airplane engine must perform, some 50 percent further than from the United States to Europe.

On the North Atlantic the prevailing westerlies blow; in the South Atlantic equatorial calms prevail. In the trade wind belt just outside the equatorial zone, flight from East to West is somewhat easier than in the reverse direction, though the difference is not of great importance. If a reasonable regularity of schedule is to be maintained, even the 1,850 miles from West Africa directly to Brazil's jutting-out eastern point is a much easier flight technically than is the much shorter distance between the Azores and the North American continent.

In a sea-going commercial vessel cruising radius is a matter of bunker capacity, and in general it is simple for the naval architect to provide for a larger cruising radius than actual operation is apt to require. In the airplane, on the other hand, the designer soon reaches a point beyond which cruising radius is purchased at a fearful price in terms of economy of operation. Ten years ago the longest cruising radius of an airplane, compatible with reasonable economy and supposing an intermediate stop to be physically convenient, was some three hundred miles. If absolutely necessary, that distance could be multiplied by two or three, but only at a very heavy cost. Three years ago the natural economical range had been raised to 600 miles; today for the most modern overland airliners it stands at close to a thousand. But it is still far short of the shortest non-stop Atlantic distance. For typical flights in

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the United States, some 20 percent of the total load carried can take the form of payload, even after a lavish dispersion of weight in luxurious furnishings. For Atlantic flights, the present proportion of payload to total weight can hardly exceed 10 percent, even after effecting the strictest economy of weight that is compatible with reasonable comfort and the necessary safety provisions. Even that figure represents an enormous advance during the last five years.

Ten years ago, anything like regular trans-oceanic operation in both directions with a commercial load looked a hopeless proposition. Intermediate stopping-places in addition to the island groups were therefore sought. There were projects for enclosing areas of the ocean with floating breakwaters that would calm the waves enough to allow seaplane take-offs after refuelling. There was also a very well-engineered and diligently promoted plan (which more than once seemed upon the verge of receiving official support) for planting seadromes, or floating islands with flying decks raised on pillars far above the sea, at intervals between America and Europe. Foreign Offices, especially that in Paris, became greatly agitated over the legal status of such seadromes permanently located just outside the three-mile limit, and over the question as to who would have sovereignty over them. But progress in aircraft design has been a little too rapid for the seadrome advocates, or the oceans were not quite wide enough, and all such schemes are now forgotten.

Forgotten too, in the near future, may be the plans to use the islands as bases. Up to the present all projects for trans-Atlantic service have inevitably led their sponsors as suppliants to the door of the Portuguese Government. The Azores occupy a unique strategic position, and the Cape Verdes, though less essential, are at least a very convenient stopping-place on certain routes. Under Article 15 of the International Air Navigation Convention, of which Portugal is a signatory, the Portuguese Government is free to determine its own policy regarding the admission of foreign airlines to Portuguese territory. In 1930 it was announced, to the profound disturbance of aëronautical circles in all parts of the world, that an exclusive concession for operation via the Azores had been given to the Aeropostale Company, then the French operator of the South American route. But the internal affairs of Aeropostale and political difficulties in France were such that the company failed to start a service via the Azores before the end

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of 1932. Under its terms the concession therefore lapsed. After this contract had been liquidated, the Portuguese Government reverted to its traditionally close relations with Great Britain. Between Mr. Salazar's government and Berlin there has also been increasingly close sympathy since the outbreak of the civil war in Spain. Whereas the influence of France at Lisbon has fallen so low that a request that the French flying boat *Lieutenant-de-Vaisseau Paris* be permitted to stop at the Azores on a mere experimental flight failed to receive approval, and the flight had to be abandoned in consequence. Report has it that the French request did not even receive a formal answer. In the meantime, the Germans have made use of the Portuguese islands on their exploratory flights of the past two summers; the flying boats of Britain's Imperial Airways have also made landings on them; and Pan American Airways, operating in close alliance with Imperial, has been able to obtain special privileges over a fifteen-year period both in the Azores and on the Portuguese mainland.

The Azores have had more importance than the mileages shown on the map would suggest, for the best alternative to a route via the Azores, in point of distance, is that by Newfoundland and Ireland. But the climate of Newfoundland is only a degree less unsatisfactory than that of Greenland. Not only is the eastern part of the island one of the foggiest regions on earth, but its harbors are commonly choked with ice by the first of January, and remain so until early summer. A trans-Atlantic seaplane service via Newfoundland could operate only during the tourist season. There are, however, possibilities of year-round operation from a land base by using airplanes fitted with wheels. The British Government, with that lavishness which it has displayed whenever opportunity seemed to offer for opening up new imperial communications, is now hewing a first-class airport out of the wooded countryside at Gander Lake, not far from Botwood; and four-engined landplanes designed expressly for carrying mail — and mail only — across the Atlantic are ready for service. The carriage of passengers upon such machines may come in time; at present, however, no responsible operator would be so bold as to throw a passenger service across 2,000 miles of open sea in aircraft unable to make an emergency landing upon the water.

The unique position of the Azores, therefore, obliges any would-be operator of a year-round seaplane service across the North Atlantic to do business with Portugal until such time as

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non-stop operation over some 3,400 miles and against a prevailing wind (at times exceeding 50 miles an hour) shall become possible. That time is very near at hand. Although an intermediate stop would still be conducive to economy, there is every reason to think that flying-boats will be constructed within the next two years with such long-range capacities that the economic advantage of the halt at the Azores will be fully offset by the hazards of indefinite delay which such a stop might entail. In general, the islands in the Atlantic have no harbors. The best that they offer is short patches of concave shore-line, partially protected by small breakwaters. Their sheltered areas are by no means large enough for a flying boat to take off on a long flight; the take-offs must thus be made virtually in the open sea, and the lee of the islands does not at all times afford sufficient shelter. The Azores are used today only out of necessity, as a means of escaping the seasonal limitations of the Newfoundland route. Bermuda has both perfect weather and an excellent harbor; but unless it is used in conjunction with the Azores there is little reason for using it at all, since it is almost as far from the European mainland as are the more northerly ports of the United States.

In the South Atlantic, the islands have already had their day and passed into commercial oblivion along with the seadrome projects. On early flights, Fernando Noronha was a common port of call. The position of the Cape Verdes seemed important enough to the French for Aeropostale to seek special privileges there. Indeed, at one time it looked as though Aeropostale was about to receive a virtual aërial monopoly in those islands. But, again as in the Azores, that company allowed its opportunity to slip away. At present France would be interested in the Cape Verdes only for military reasons. During the last three years both landplanes and seaplanes have shuttled steadily between Dakar (Senegal) and Natal (outermost city on the Brazilian mainland), without an intermediate stop and with a remarkable freedom from trouble. Fernando Noronha and St. Paul's Rocks still accommodate French radio stations, which aid the navigation of the planes. Aside from that, the Germans are the only ones to make any use now of any South Atlantic islands; they stop at the Canaries (in order to avoid French territory) on their way from Europe to Bathurst (Gambia), their jumping-off place for South America.

Draw an arc upon the surface of the globe with New York as its center and with a radius of 3,350 statute miles. It will strike

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the Portuguese coast just north of Lisbon, cut the tip off the Breton Peninsula of France, pass through Devonshire, and finally miss the Scandinavian Peninsula by only a hundred miles. By flying no more than 3,400 miles it is possible for a line from New York to have a European terminus in Portugal, Spain, France, the United Kingdom or the Irish Free State — with Norway only a little farther on. When the Azores drop out of the picture as a result of continued technical progress, no one European nation will have the sure grip on North Atlantic air commerce that both Portugal and the British Empire have had in the past.

In the South Atlantic, the center of the circle is Natal and the radius is 1,910 miles instead of 3,350. This arc would cut through the territory of one French, one Portuguese and two British colonies, as well as of Liberia. With a choice of four different sovereignties, terminals can be determined by competitive bidding among the African Powers. In the West, however, there is in effect no choice. From Monrovia to Montevideo it is 4,080 miles along the great circle. The distance from Senegal to French Guiana is not impossibly long, but a route from Africa to the principal cities in Argentina and Chile by way of French Guiana, Venezuela and the west coast of South America would be extremely roundabout. Brazil thus holds the throttle on air commerce between Europe and most of South America. In the North, the position of Canada and Newfoundland in intercontinental communications might be nearly as powerful as that of Brazil in the South were geographical advantages not offset by climatic drawbacks.

Several trans-Atlantic airlines are already in operation and a number of others are projected. The first French airline to Morocco was opened on September 19, 1919, and it was extended to Dakar on June 1, 1925. Two years later a French organization was set up in South America to operate a line between Natal and Buenos Aires; operations were begun on November 15, 1927. The African and South American sections were connected in the spring of the following year by small and obsolete destroyers turned over by the French Navy to maintain an express service between Dakar and Natal. The costs were fabulously out of proportion to the commercial result, for at times the average air mail ran as low as twenty pounds per trip. However, high costs and low commercial returns have not been a barrier to the establishment of any intercontinental airline that governments have for one reason or another found interesting. In 1928 the French Gov-

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ernment was subsidizing the Aeropostale Company by about $2,750,000 a year in addition to the cost of operating the vessels across the South Atlantic. Over 80 percent of the total receipts of the company consisted of direct subsidies. In terms of traffic handled, the direct subsidy was at the rate of $8.90 per ton-mile. The first aërial crossing of the South Atlantic with air mail was made by Jean Mermoz on May 12, 1930, when letters were delivered in Buenos Aires four days after leaving Paris. Four years later the flights between Dakar and Natal began following a regular schedule. At present they are weekly, and more than two hundred of them have been made.

Mermoz had slipped in just a week ahead of the first German crossing by airship — the *Graf Zeppelin's* maiden flight from Friedrichshafen to Pernambuco, south of Natal. The following summer a regular *Graf Zeppelin* service was started, which soon attained some fifteen round trips a year with an average of from twenty to twenty-five passengers each voyage. This service terminated when the *Hindenburg* disaster brought the decision to fly no more passengers in hydrogen-filled airships. While the *Graf Zeppelin* carried the passengers, Deutsche Luft Hansa planes carried the mail. These planes flew from Europe as far as the Cape Verdes, where the mail was transferred to a German vessel, which re-transferred it at Fernando Noronha to a seaplane of the Condor Syndicate, a German subsidiary in Brazil. Germany, like France, was active in South American air transport long before the regular crossing of the Atlantic by air became technically possible. Before 1925, airlines under German management were already operating in Brazil, Bolivia and Colombia (in the latter the renowned "Scadta," or Sociedad Colombo-Alemana de Transportes Aëreos).

In 1934 Germany ceased employing surface vessels to carry mail over any part of her air route to South America. Thereafter seaplanes were launched by catapult from the decks of the specially constructed motherships *Westfalen* and *Schwabenland*, instead of rising directly from the surface of the water. The first German route was via Seville, the Canaries and Bathurst; and it remains the same, except that Lisbon was substituted for Seville on the outbreak of the Spanish civil war. Though the Germans avoid French soil after leaving Marseilles, the commercial relations of Air France (the French nationalized air transport monopoly which has succeeded to Aeropostale) and of Deutsche Luft Hansa are excellent, and an alternation of schedules now

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gives a semi-weekly air mail service from Europe to the east coast of South America. This is the same frequency as Pan American's service from the United States to Brazil, though only half as frequent as its service to Argentina, which is reached four times weekly.

The interest of Italy and Great Britain in the South Atlantic route has been rising rapidly in recent months. Italian experimental and propaganda flights have been frequent, such as the record-breaking non-stop trip from Italy to Brazil in 1928, the mass flight by Marshal Balbo's squadron in 1931, and the recent tour by Colonel Biseo and Bruno Mussolini. British efforts have so far been concentrated on imperial communications. However, now that the Empire air network is pretty well developed, the Air Ministry is beginning to look elsewhere. A British company, a new and energetic rival of Imperial Airways, has plans for a route from England to Lisbon, thence to British West Africa, and ultimately across the Atlantic. The Dutch, too, have considered the possibility of running an airline to their West Indian possessions. In fact, all the major European states are displaying a lively interest in the development of national airlines to any parts of the world which seem to have commercial, political or strategic importance. It is quite possible that within the next three years three or four nations will be operating lines across the South Atlantic in place of the present two.

The same possibility exists in the North Atlantic, where the Germans, British, Americans and French — in that order of intensity — have been making plans and experimental flights. The only serious commercial operations have been by the *Graf Zeppelin* and the *Hindenburg*, and even those have been officially classed as experimental, both because the American Government was unwilling to grant a permanent concession at so early a stage and because a Naval air station (Lakehurst) was serving as the American terminus. The *Graf Zeppelin* made a round trip in 1928 and another in 1929; the *Hindenburg* made ten trips, carrying an average of fifty or sixty passengers, before it met disaster.

For the British, the North Atlantic is the last barrier to the establishment of a complete system of imperial air communications. South Africa, India and Australia now have regular service from England. New Zealand is in the process of receiving it. Only Canada remains. Plans to include her in the network figured on the agenda of the Imperial Conferences held at Ottawa in 1932 and at

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London in 1937. The British, Irish and Canadian Governments have all made contributions to the establishment of new first-class bases at Botwood and Gander Lake in Newfoundland, and at Foynes near the mouth of the River Shannon in Ireland. The latter is to be replaced, according to present plans, by a much more elaborate airport near Limerick.

The British dream of developing all-British routes dies hard. Some Englishmen long urged that air traffic across the North Atlantic be kept purely imperial and that no concessions be made to the United States or any other nation. But other counsels have prevailed. Actually, Pan American Airways and Imperial Airways have long worked in close accord. At a conference in Washington in November 1935 the American and British Governments agreed upon a maximum of two round trips weekly under each flag during the next fifteen years. Pan American holds a permit to operate into the British Empire, in return for which Imperial will be allowed to fly into the United States. Though the precise terms of the agreement between the two governments have not been made public, it is nevertheless understood that American officials insisted on keeping the agreement sufficiently general to allow the governments to transfer operating permissions from Pan American or Imperial to other companies if they saw fit.

French and German operations on the North Atlantic are politically handicapped by the limited benefits those countries (especially Germany) have to offer in exchange for the right to enter American ports. Non-stop flights between the United States and France are a possibility of the comparatively near future, and there have been discussions of a Franco-American agreement quite independent of the Anglo-American one, in which an American and a French company would evenly divide the traffic between American and French ports. The French, like the British, are preparing air bases with a special eye to Atlantic service: their current selection is Biscarosse, near Bordeaux. There is also an almost incredibly grandiose plan for constructing an artificial lagoon in the immediate neighborhood of Paris to serve as a seaplane base.

Operation of an airline direct from the United States to Germany is quite out of the question for the time being; but Deutsche Luft Hansa, like Imperial Airways and Air France, maintains an intimate association with American developments, and a German catapult ship has visited New York on several occasions to launch

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seaplanes for flights to the Azores. Indeed, the first genuinely commercial use of heavier-than-air craft on the North Atlantic was by the Germans: in 1929 catapults were installed on the *Bremen* and the *Europa* for launching mail-carrying seaplanes while the boats were still 300 to 600 miles at sea, thereby speeding up the arrival of mail by twelve hours or more. The catapult service was abandoned when the *Hindenburg* began to carry mail across the ocean.

If airships are to be used — and their supporters in America, though not very numerous, are extremely enthusiastic and have considerable backing in Washington — German participation in a coöperative service is sure to be sought in order to take advantage of the unique German experience in commercial airship operation, unmarred by misadventure until the *Hindenburg* disaster. If, on the other hand, airplanes are to be the major vehicles of Atlantic service — which at this moment seems more probable — Germany's political position is strong only in so far as she is able to exert influence on Portugal or other areas geographically significant for the operation of the route. Contrary to reports widely published and accepted in France, there has been no formal agreement between either the French or German Governments and the American Government. Neither of them has received anything more than an experimental permit for entry into this country.

Undoubtedly the American policy will be to stimulate American operation between the continents, though it remains to be seen how much money will be provided for the process. Undoubtedly the American Government will continue to insist that there shall be no regular commercial operation into the United States under a foreign flag without simultaneous provision for an equal amount of American flying on the same route. The major uncertainty of the future concerns the position of Pan American Airways in relation to other American operators.

From the day that governments first began to support airlines on a grand scale, national monopolies have gradually become the general rule everywhere except in the United States. In almost every European country there were at one time many independent lines; but governmental pressure forced the process of consolidation that ultimately squeezed them down into a single company: *e.g.*, Imperial Airways, Air France, Deutsche Luft Hansa, Ala Littoria and Koniklijke Luchtvaart Maatschappij. Only in

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Great Britain has the reaction against monopoly in recent years led the government to encourage operators other than Imperial Airways. In the United States, competition has been the rule in domestic operation; but in foreign service Pan American Airways has had an effective American-flag monopoly. By very largely conducting its own diplomatic negotiations with foreign governments and by securing its own permits and contracts, Pan American has in ten years succeeded in expanding from the original Key West–Havana route into a network covering South and Central America, Alaska, the Pacific and China. Pan American's service to Bermuda, opened last June, was the first American commercial aërial invasion of the North Atlantic.

As in the case of Britain, two opposing views as to future air policy are being debated in the United States. According to one school, Pan American has made such a fine record under existing conditions that nothing should be done to jeopardize its position or to supplement it with other lines which might possibly be less of a credit to the United States. The advocates of the opposing doctrine maintain that monopoly is unjustified, that even Pan American would benefit by the spur of competition, and that — whatever conditions may have been in Latin America — the North Atlantic should have at least two American services, under different managements and running to different ports but along routes nearly enough parallel to compete with each other. As plans for trans-Atlantic service mature, it is apparent that for the first time in nearly ten years Pan American is likely to be confronted by strong and responsible competition. What distribution is to be made of American participation in North Atlantic air transport is a question that will have to be determined within the next few months, either by the present Administration or by some agency especially created for the purpose by Congress.

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THE NEW RÉGIME IN BRAZIL

By Ernest Hambloch

ON November 10, 1937, Rio de Janeiro awoke to find the Senate and Chamber of Deputies surrounded by pickets of mounted Military Police. A few hours later President Getulio Vargas abolished the existing Constitution and imposed one of his own manufacture. Brazilians as well as foreigners have referred to those events as a *coup d'état*. But that term implies illegality, violence and surprise, and is not quite accurate as a summary of what happened. The illegality of Dr. Vargas' act was of course flagrant: the Constitution was abolished by the very man who was its chief custodian. But there was no violence, for army chiefs had seen to it that there could be no resistance. As for surprise, those who had followed the course of events in Brazil during recent years scarcely did more than raise an eyebrow.

It is in its implications, however, that Dr. Vargas' act is most liable to misapprehension. A *coup d'état* introduces a change of government, whereas in this case no real change was effected. What Dr. Vargas did was to give the *coup de grâce* to a fiction, the fiction that Brazil was a free republic. The truth was that ever since he had first seized power in October 1930 Dr. Vargas had been paramount in Brazil. The new Constitution was imposed merely by a pronunciamento, with a slight variation on that classic South American process: Dr. Vargas has not been an insurrectionist for seven years; he has become an evolutionist, determined to remain in power. The fundamental question in Brazil today is whether he carries the nation with him in imposing a régime designed to give effect to that determination.

It is hardly possible to appreciate the full significance of the new régime without pausing to consider the personality of the man responsible for it. Nothing could be more unlike the popular conception of a dictator than Dr. Getulio Vargas. He hails from Rio Grande do Sul; and it would be natural to picture him as the typical *gaucho* — a long-limbed cattleman, booted and spurred, hard-riding and devil-may-care. Dr. Vargas is the precise opposite of all that and of all that such externals imply. He is below the average height and inclined to be stout. His face is full, and his nose Bourbon. His eyes, jet-black, are close-set, and his mouth is large and mobile. His voice is inclined to be harsh, and the down-

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ward droop of the thin lips conveys something uncomfortably grim. On the other hand, Dr. Vargas' wide-mouthed smile is famous all over Brazil. In his mental equipment he is typically Brazilian; but among a people where subtlety is an everyday quality, Dr. Vargas far outdistances any of his contemporaries in political astuteness. He also possesses a gift which few Brazilian politicians have cultivated: he has become a past-master in playing to the gallery. The army elements he keeps almost, but not quite, hidden in the wings. However, histrionics of that sort are a pitfall in politics as well as an art: and it is possible that the facility with which Dr. Vargas has hitherto managed to secure applause from a *claque* in the gallery may cause him to attach too little importance to those underlying principles which alone make for real achievement.

The political background must next be considered. If Dr. Vargas has been able to remain a virtual dictator for seven years, it is because in October 1930 he was the darling of the gods; and the gods of the gallery will put up with a good deal from their favorites. At that moment, when he led a revolution, he personified a popular reaction to the misdeeds of a political caste which had come to dominate the country like feudal magnates. Dr. Vargas was himself a member of that caste, but the fact did not weigh against him, for he had been the unsuccessful candidate in the presidential elections of that year. This automatically meant that he had become what is called in Brazil the "popular" candidate (the "official" candidates are those in whose favor the voting returns are successfully manipulated). "Popular" candidates invariably lead a forlorn hope, optimistically trusting that a popular rising might cause the election results to be revised in their favor. But Dr. Vargas was no optimist: he left nothing to chance. Instead of accepting his defeat, he enlisted the support of disgruntled politicians and promised electoral reform if the country would back a revolution. Prominent army leaders then took a hand. Rightly assessing the strength of public feeling against the old political processes, they saw to it that the reigning President should be deposed and the "popular" candidate substituted for the President-"elect."

It was on that wave of popular feeling that Dr. Vargas rode to power in 1930. The result was not quite what the nation had expected. The time-honored republican Constitution of 1891 was abrogated and a dictatorship declared. Public opinion became dis-

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turbed when it saw that the dictatorship showed no signs of ending. From the early days of their colonial history and throughout their life as an independent nation Brazilians have been intolerant of anything savoring of dictatorship. It was not long, therefore, before the nation began to grow restive, and in 1932 the State of São Paulo led a revolt with the declared objective of restoring the Constitution. The revolt was crushed, but not before Dr. Vargas had seen that his position would be untenable without a constitution of some sort. By careful selective processes he secured a majority in a Constituent Assembly which he summoned in 1933; and in July 1934, after a constitution had been evolved, he was elected President of the Republic.

A Brazilian publicist, Dr. Mario Pinto Serva, summed up the prevailing feeling about that Constitution when he wrote that "with its Bolshevist, Fascist, Syndicalist and Clerical ideas" it was "an absolutely indigestible fruit salad." But the people were content to let things slide. The new Constitution, though it gave them but a modicum of political liberty, at least ensured that every four years there would be a new president; and Brazilians were confident that in the inevitable reshuffling of political places every four years lay their safeguard against any further attempts at dictatorship.

Sixteen months rolled by, politically uneventful and socially peaceful. And then a curious thing happened. The unsuspecting Brazilian citizen was suddenly startled by a presidential tocsin announcing that the country was in imminent danger of being submerged under a tidal wave of Communism. All that had really happened was that there had been insubordination in one of the army battalions at Rio. But the presidential alarm signal ran otherwise. "The Eye of Moscow," it boomed, was on Brazil and Bolshevism was hammering at the gate! Stunned and mystified, the people saw the Constituent Assembly (which had transformed itself *en bloc* into the Federal Congress) arm the President with a "state of siege." Meanwhile, Dr. Vargas took soundings and satisfied himself that the peril of Communism was a bogy he could use for a twofold purpose. Brazilians do not view Communism with any sympathy, and to persuade them that their country was threatened by it was to enlist their moral support in suppressing it. As an easy corollary to that, Dr. Vargas proceeded to stigmatize all opposition to himself and his acts as Communist attempts to subvert the State. The Constitution was amended in

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48 hours and the "state of siege" converted into a "state of war," with the death penalty for "political crimes," regarding which the Supreme Court was declared incompetent to pass judgment. Prisons were rapidly filled. On the other hand, foreign Fascist and Nazi organizations were allowed a liberty of action hitherto unknown in Brazil, while "Integralism," a home-made version of both, was subsidized and encouraged. Brazilians began to be highly suspicious.

According to the Constitution, presidential elections had to be held in January 1938, and the President, whose term of office expired in May, was not eligible for reëlection. Brazilians were by now well aware of Dr. Vargas' fondness for office, and they had an uneasy feeling that by once more alleging that the country was "in grave danger" he would find means of driving a presidential coach and four through the constitutional prohibition. What nobody foresaw was that he would clothe his personal ambition in a new constitution of Fascist form. That, however, is precisely what happened on November 10, 1937. Brazil is now like a man severely but unexpectedly wounded. Only gradually is it beginning to feel the force of the shock and to take stock of the gravity of the situation. Brazilians are not one whit more inclined to Fascism than they are to Communism, and they feel that their historic traditions of liberalism have been betrayed. The shock is that the betrayer now wields dictatorial power.

II

Economic difficulties have been alleged by Dr. Vargas in partial justification of his action. But the internal economy of the country is quite sound. Trade turnover and production values have been steadily increasing, and government revenue has been constantly rising. The situation as regards foreign trade and the foreign debt has not been satisfactory, but there is nothing desperate about it and many items of export show steady development. From 1933 to 1936 the annual balance of foreign trade in favor of exports varied between £11,300,000 and £16,400,000 (sterling values), while for the nine months ending September 1937 it was £6,300,000. The worst patch has been coffee, Brazil's principal export product. Fantastic and expensive schemes for "valorizing" it have ended in bleeding the industry nearly white and in perpetuating production in excess of world market requirements. The financing of the foreign debt service,

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even on the much-reduced scale of the 1934 "Aranha scheme," also presents difficulties. But neither of these problems is insuperable, and a mere change of régime can hardly be thought to contribute much, if anything, to their solution. Nor is it to be supposed that Dr. Vargas thinks so either. His concern for the past seven years has been to manœuvre himself into a position where, by sabotaging existing political institutions, he could be sure that his own power would remain unchallenged. In order to strengthen his position still further he has made a bid for popular support by instituting a large number of social reforms.

So much for the loaves and fishes. On the psychological side Dr. Vargas adopted tactics altogether new in Brazil. A skillful and unremitting anti-foreign campaign was started, and foreign investors were held up to obloquy as "usurers who had long since received back in interest the capital they had invested in Brazil and to whom therefore nothing more was morally owing." Nationalist sentiment was eventually worked up to a high pitch. Thus when Dr. Vargas ushered in his new régime last November, and simultaneously suspended the service of the foreign debt, the one act bolstered up the other psychologically. The new régime was to shine forth in all the glory of a new nationalist movement, culminating logically in the creation of an authoritarian state in which — so runs the official benediction — "the Word of the government shall henceforth be like the divine Creative Word."

III

It has been said that Brazilians are "supine under the new régime." Appearances are sometimes deceptive, and it would be a mistake to assume that Brazilians have prostrated themselves before the Constitution which Dr. Vargas produced like a rabbit out of a hat. Openly expressed disapproval would be fraught with dire consequences, for though the new Constitution begins hopefully enough by stating that "political power emanates from the people," it ends on a sinister note. "A state of emergency," it says, "is declared throughout the country" — and that is a state of affairs under which the Supreme Court itself is powerless. The President's power is absolute. He can arrest, imprison and order domiciliary visits and no one can gainsay him. "Written communications and the spoken word" are subject to his unfettered control. No organ of independent public opinion is permitted, and the Directed Economy which he intro-

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duced in 1930 has inevitably degenerated into the Directed Thought which enslaves Brazil today.

It is true that Brazilians have never attached overmuch importance to the letter of their republican constitutions; these instruments enabled every President to do pretty much as he liked — during four years. But they regard personal freedom and political liberty as their birthright, and in that respect their constitutions always gave them the last word. Under the new Constitution of Dr. Vargas they can have no illusions on that score, though it may take them some time to realize all the implications of the conjuring trick. It may also be true in some senses that Brazilians are not yet inclined to take their new fundamental law too seriously. But there is one Brazilian who takes both it and himself very seriously. Dr. Vargas' first care has been to set up a "Committee of Doctrine and Divulgation of the Régime." That committee's activities in the press and over the radio leave little doubt as to what Dr. Vargas intends the Brazilian public to understand by "The New Brazilian Democracy."

Some of the more typical of the committee's pontifical declarations are enlightening: "The authoritarian state is the true realization of democracy." "The new Constitution does not conceive of democracy in any negative form, as did the [Brazilian] political charters inspired by liberalism, for liberalism no longer corresponds to the new sense of life. . . . In the new régime democracy assumes a positive, constructive character, whereby the individual is made one with the state." "In the authoritarian democracy the state is not the enemy of the citizen, as it was always considered in liberal democracy." "In the strong state liberty is not suppressed. It merely receives its just and necessary limitation." "Movements of political thought directed or oriented by private persons cannot be tolerated." "Liberal democracy has gone bankrupt the whole world over and all nations are marching resolutely towards the Right Wing to find stability in authoritarian government. Individualism nowadays is as dead as history. The state has become mysticised."

That is a typical collection of the concepts that are being daily instilled into the eyes and ears of the Brazilian nation. The President himself has given an even more pithy explanation of the new régime. "The new system," he said in an interview he gave to the *Lokal-Anzeiger* at the end of 1937, "is the consecration of authoritarian government."

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IV

The issues thus raised in Brazil converge into the question: Is the new régime likely to be stable? In searching for the answer it is well to insist that all Brazilian political traditions have been liberal. Of all South American countries, Brazil is the one where, in spite of setbacks and disappointments, the attainment of democratic freedom and liberal government has been a constant ideal.

The new Constitution still has to be submitted to a plebiscite, *as and when* the President of the Republic may think fit. Its terms therefore can hardly be considered a safe guide to current opinion in Brazil. Its most informative clauses are those which provide that Dr. Vargas shall remain in power for six years and that he may nominate his successor. For the rest, it is scarcely more than a hodge-podge of Fascism and Nazism. But the "Committee of Doctrine" is very insistent on what it considers the essential feature of the new régime: that the individual is nothing and the state everything. The régime has been proclaimed as "an autocratic form of democratic government." That is a hard saying, the real significance of which appears to be that Dr. Vargas has gone back three centuries and, like Louis XIV, is convinced that "*L'État, c'est moi.*"

Now it has been an unwritten law in Brazil for nearly a century — a law so binding that a Brazilian emperor felt constrained to pay homage to it in order to keep his crown — that the "will of the people is sovereign." All Brazilian rulers, whether under the Monarchy or the Republic, have bowed to that political principle; and however far from it some of them strayed at times, they never failed to recognize that in its ultimate application it was inviolable. It was precisely because, though paying lip service to a liberal constitution, the political caste in Brazil had begun to act like oligarchs that the people stood aside in 1930 and allowed Dr. Vargas to depose the very man to whom he owed his rapid political advancement. He posed as the upholder of the sovereign will of the people, and solemnly promised electoral reform. That he thereupon introduced a dictatorship was a shock to all Brazilians, and when the 1934 Constitution was eventually promulgated they shrugged their shoulders both at the manner and the matter of it. They accepted it for two reasons: it had been passed by a Constituent Assembly, and its mere

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existence reaffirmed the unwritten law that the people's will was sovereign. It is for that reason that, in now making the nation swallow his second period of dictatorship, Dr. Vargas has been so careful to sugar the pill with a ready-made charter. Thereby he hopes to keep alive the illusion that the people's will is still sovereign. There is, it is doctrinally declared, to be "direct contact" between President and People, and all political parties have therefore been suppressed. Such an act is less violent than it might seem. For the last twenty-five years political parties in Brazil (with the recent exception of Integralism) have had no political program. They have been mere vote-collecting machines geared to satisfy personal ambitions. Their suppression, therefore, while strengthening Dr. Vargas' position as an independent ruler, has caused few heart-burnings among the mass of the people.

Since his accession to power in 1930, too, the President has been unremitting in his policy of degrading political friend and foe alike. Politicians who were opposed to him but could serve his purpose have been lured into the acceptance of public appointments. Friends who have fawned on him have been used and then cast contemptuously aside. It is therefore not surprising that the word "politician" is in such bad odor in Brazil. As for over-popular friends and dangerous opponents, they have been imprisoned or have fled the country to escape arrest. The result is that no public figure is left around whom any constructive opposition could rally or find serious expression. Thus on what may be called the negative side Dr. Vargas has remained sole master of the situation.

For active support he has relied on army chiefs. They form a class apart in the community, but do not constitute what is usually understood by a military caste. Indeed, by historical tradition they regard themselves as the upholders of republican institutions. They therefore had to be convinced that in supporting Dr. Vargas they were performing a patriotic duty. The task was not too difficult. The army has a supreme contempt for the *politicos*, for it considers that it has too often been called in, ostensibly to maintain law and order, but in reality to serve the ends of political self-seekers. Moreover, the army has been strenuously opposed to foreign Fascism and home-made Integralism. To secure army support, therefore, it sufficed for the President to raise the Communist bogy and to convince responsible army leaders that his political opponents were fomenting Communism

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for their own purposes. Thus, after pitting Fascism and Integralism against "Communism," Dr. Vargas was able to count on the army to crush all three, for the army is protecting a movement which it hopes is national, but which it is prepared to accept as nationalist. Yet it is in his reliance on army support that the essential weakness of Dr. Getulio Vargas' position lies. Six months ago his flatterers formed a *Getulista* party. If Dr. Getulio Vargas is to remain in power he must be able to convince "all the army all the time" that he is really a good *Nacionalista* and not merely a *Getulista*.

V

It is unlikely that the new régime will work any very far-reaching change on Brazil's foreign relations, for paradoxically enough German and Italian influences do not stand to gain much by the shift of régime — a fact of which Berlin and Rome are now well aware. Their usefulness to Dr. Vargas ceased directly the liberal régime had been abolished. He has stolen all their thunder, and nationalized and embodied it in his new Constitution. Moreover, apart from the hostility of his army supporters to Fascism, Dr. Vargas knows full well that his countrymen have in recent months grown alarmed at Germany's colonial claims. Those ambitions are considered to be directed not merely towards Africa, but to the far richer territory of Brazil. How Germany would propose to accomplish such designs is not discussed; but the danger is felt to be real and it has been the subject of frequent comment in the Brazilian press. In the case of Italy it is not "colonization" that is feared but "intervention" as in Spain. England and France have been held up to disfavor in Brazilian eyes in their rôle of creditor nations. In foreign relations, therefore, Dr. Vargas will have the support of the majority of Brazilians in pursuing a policy of mere convenience towards Europe, while cultivating a closer understanding with the United States, "Brazil's best customer and best friend."

What makes Brazil's immediate future obscure, however, is the doctrine that "the individual is integrated in the state." That is quite a new conception for the Brazilian citizen, who has always been a thorough-going individualist. It is true that during his seven years of personal government Dr. Vargas has identified himself with many Brazilian aspirations. Above all he has harped on the chord that Brazil has been exploited by the (European)

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foreigner and that the old political caste betrayed the country by selling it to foreign moneylenders, domiciled chiefly in London. But neither in internal politics nor in foreign affairs have the motives actuating Dr. Vargas ever crystallized into anything more stable than opportunism. Brazilians may think that the sacrifice of personal freedom is rather a high price to pay for a few social reforms, while the suppression of political liberty does not go very far in settling their financial difficulties with other nations. Finally, ever since 1930 Dr. Vargas has been at pains to weaken the autonomy of the twenty States of the Union. Such rigid concentration of power in his own hands, however well-intentioned, might conceivably create problems for the future. While every Brazilian is proud of his nationality, the public and official burning of all State flags recently was a symbolic act which seared many a heart. Over-centralization of government in a country as large and diversified as Brazil may not make for unification at all, but for disintegration. Local patriotisms are strong; and there is always the risk that by trying to stifle them Dr. Vargas may in some cases have kindled the fires of separatism.

A foreign diplomatist once said that Brazil was a country where water flowed uphill. But the real point is not that the unexpected happens in Brazil. It is that Brazilians have a peculiar faculty of adapting the unexpected to themselves. This time, however, their problem is a very real one. The constitutional mould in which the new régime has been cast is wholly alien to their political tradition and temperament. That is why the political outlook is so obscured and uncertain. Out of the haze, however, one fact stands forth as solidly obvious as the Sugar Loaf in the Bay of Rio. It is the determination of Dr. Getulio Vargas to be Brazil's permanent dictator. That fact looms larger every day to a people whose natural bent is kindliness and tolerance, but whose political instinct has invariably been adamant against tyranny. The new régime may therefore be fruitful of surprises, and not least for its founder.

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DO GOVERNMENT PRICE CONTROLS WORK?

By Carl F. Goerdeler

NUMEROUS suggestions are being made as to how the present business recession in the United States can be relieved. Among the remedies proposed is regulation of prices by the government. It happens that in this particular field of controlled economy Germany has had the widest experience. My purpose here is to examine that experience and, so far as possible, to draw conclusions from it regarding the validity of government price control in general. My own knowledge gained as Reich Commissioner for Price Control will naturally form the basis of this analysis.

Within the last twenty-five years Germany has gone through four different periods of price control: during the World War; in 1931–32; in 1934–35; and since October 1936. The first and last of these four periods differ fundamentally from the other two. Price control systems were set up during the war and in 1936 in order to replace the law of supply and demand by governmental fiat. In the two intervening periods, however, the object of control was to restore the free flow of business, thereby permitting prices to conform to the diminished purchasing power.

Given the nature of the present economic crisis in the United States, it is Germany's experience with price control during 1931–32 and 1934–35 that will be of particular interest to Americans. Basically, the economic situation in America today is very similar to that of Germany in those two periods. On the other hand, Germany's present system of price control resulted from economic conditions purely German and without any American counterpart. Germany is now operating under a planned economy — her Four-Year Plan — in which price control plays a vital part. The regulation of prices, along with the control of exports and imports, performs the same function in maintaining the stability of the German currency as does the gold reserve for the currency of the United States.

The particular measures taken when setting up a system of price control should have a very practical basis. They should be based, not on abstract theories, but on the axiom that man is born with the will to live and to improve the conditions of his life.

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To satisfy this will, he works. And his ambition to achieve is constantly stimulated by the knowledge that upon his own efforts depends success or failure.

Any discussion of price control should start from this fundamental idea. As a general rule, the expenditure of the same amount of energy should receive the same reward and therefore should provide the same standard of living. However, a government can consciously modify the valuation of those energies. This is in fact done in many countries. In Germany the prices of agricultural produce are maintained at an arbitrary high level. This is possible because Germany must import foodstuffs, the price of which she can raise to the higher level of domestic produce. This higher domestic price is set to enable the farmer to stay in business. England and the United States apply similar methods — protective tariffs — in order to protect their industrial products. In the United States, efforts are also being made to change the proportion between agricultural and industrial prices in favor of the farmer. There is no question that technical means are available for doing this. However, it should be borne in mind that the valuation of energies must be altered. It is impossible to increase the purchasing power of the farmer by influencing prices while simultaneously granting higher wages to industrial labor. If the ratio is not altered, it would be exactly the same as trying to obtain lower export prices through currency depreciation while at the same time cutting working hours and increasing wages, as France did in the summer of 1936. In such matters it is vital to follow mathematical rules and not vague dreams.

We come therefore to the conclusion that a government may alter the proportions between the various categories of prices by means of tariffs, taxes, wage regulation, buying up surpluses and similar measures. Which of these measures should be adopted depends on the economic conditions prevailing. The employment of such measures cannot, however, be of equal help to all parts of the economic system simultaneously.

We next come to the question: Can a government prevent or rescind undesirable price increases by establishing maximum prices? A rise in prices may be caused by the increased cost of capital, maintenance, labor or of public contributions (taxes, social security, workmen's compensation, unemployment insurance, etc.). Since the cost of capital expenditures depends upon the risk involved, and since maintenance expenses are largely for

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labor, there are only two important items of cost which are variable: wages and public contributions. Whoever attempts to set a maximum for prices must also be prepared to pin wages and public contributions at a fixed level. And this would mean nothing less than creating a planned economy. Therefore, excessive prices can be lowered only by cutting profits, wages and taxes. In 1931–32 I was successful in reducing German prices by following this method. Our experience showed how important it is for a government to keep taxes as low as possible. It also demonstrated that it is quite impossible to increase wages or taxes without being forced very soon to increase prices.

A rise in prices can also be caused by a scarcity of goods. Sufficient supply will never lead to unreasonable prices. The fact that the storage of goods involves loss and additional expense, pushes them onto the market. Only in the case of non-perishable goods does speculation enter the field; and as a rule it is best disposed of by letting it die of its own accord. In 1934, the supply of pepper in Germany suddenly ran short and the price consequently started going up. We soon discovered that an English concern was trying to corner the supply, probably in the hope that Germany would be obliged to establish a maximum price. But, since fixing a maximum price would have been useless and would only have pleased the English concern, we managed to do with less pepper for a few weeks. In a short while, the speculating concern collapsed because pepper, if stored, loses in weight and quality.

As a rule, the setting of maximum prices should be resorted to only if vitally necessary goods become scarce. Even then it is not sufficient merely to establish maximum prices. If the open market price cannot be maintained, it is evident that some other system of distribution will have to be created by the government. But as soon as that is done, the nation's economic system is in danger of becoming a planned economy. Recently there have been complaints that meat prices in the United States are too high. The only possible reason for this is that the farmers do not have enough slaughterable live stock. If there were enough cattle and pigs, the farmer would put them on the market, since for him to go on feeding marketable animals would mean risks and probable loss. Whenever possible a country should not resort to price regulation when it can prevent prices from rising by increasing production. Rising prices will immediately stimulate more production and at the same time will reduce consumption. Prices will

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then automatically readjust themselves to the best economic level. An intelligent nation should have the patience necessary to permit such a readjustment to take place naturally. Furthermore, the meat packers will soon fill the gap since they usually cover their demand when prices are low. From the political point of view, the only danger is a scarcity of vital goods. This danger cannot be eliminated by maximum prices, but by increased production, higher technical efficiency, lower wages, lower taxes, and so on. Which of the means available is chosen depends on the exigencies of the particular situation.

Then there is the question: Can those who produce and deal in a certain commodity be protected against a dangerous drop of prices if the government sets a minimum figure at which that commodity can be sold? Examples are to be found in the United States. I have in mind current attempts to raise the price of certain farm products. From time to time a "liquor war" — the drastic cutting of prices in the retail liquor trade — has led to much trouble in New York and other cities. Similar activities in the oil, cement and bituminous coal industries might also be cited. In some places the amount of oil that can be produced every month is determined. Whether intentionally or not, such measures naturally result in stabilizing oil prices. There are those who justify this by pointing to the high wage standard which results. But precisely here lies a considerable danger, for who can guarantee that tomorrow a second group of workers, and the day after that a third group, will not demand that their wage schedules be protected against competition by governmental limitation of production? Is not something of this sort already under way in American agricultural production? And do not these steps lead in the direction of a controlled economy?

When I was Reich Commissioner of Prices many German producers asked that minimum prices be established. Although production was below the level at which it brought profits, and although competition was in many cases ruinous, I refused to grant this request because minimum prices are against the law of nature. Guaranteeing all producers the same price kills the individual's determination to achieve better results than his competitors. And last but not least, we must not forget man's elemental will to live. Even if producers have come to an agreement among themselves, there will always be some among them who sell below the fixed minimum in order to remain in business. Furthermore,

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those producers who want to be protected by minimum prices are the first to object when they themselves are buyers. Here again, the only really effective remedies are the adoption of reasonable tax and wage policies and the protection of individual initiative and ability.

If, then, the government ought not to set up either maximum or minimum prices, should it not at least establish a permanent control over the movement of prices in order to make them stable? In countries where scarcities exist in key commodities, or where, as in Germany, the currency cannot be protected with gold, the government has no option but to stabilize the price level by a control system. However, such a scheme requires numerous price controllers whose salaries are an economic burden. Furthermore, the individual business man is subjected to a control which may weaken his spirit of initiative and his sense of responsibility. Men who have never been in business on their own are made judges over those whose livelihood depends on sound business management. Therefore a system of this kind should and can be applied only temporarily. The length of the period in which it is kept in operation will depend upon the education and the discipline of the particular people on whom it is enforced.

Wherever such an emergency situation does not exist any system of price control seems to me to be out of place, with one exception to be discussed later. As a rule, competition itself provides a sufficient supply of commodities at the best economic price. It is a mistake to speak in this respect of a free flow of forces. Under the law of supply and demand these forces are controlled by the individual's recognition that a wrong price policy means the ruin of his business. It is objected that this economic law subjects the individual to constant price fluctuation. This also is an erroneous opinion, for in reality a system of maximum and minimum prices, after it has temporarily brought about an apparent stabilization, will in the end lead to ever more frequent and disturbing changes in both prices and wages. The eternal law of nature that any vital demand seeks to be fulfilled must be given effect by the bureaucratic measures of central price authorities. When Italy depreciated the lira in 1936, Mussolini ruled that all prices had to remain as they were. However, in May 1937 he had to increase wages by 15 percent because retail prices had gone up as a result of the rise in the cost of imported commodities. Nature cannot be ordered to renounce her principles.

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The rule that offer has to cover demand governs any exchange of commodities and must be obeyed in all economic systems. The only question is whether it should be left to the individual or to the government to enforce the rule. The wisest thing is to leave it to the individual, for better results will always be obtained if the producer realizes that his very life depends upon his own efforts. If everyone is subjected to the law of offer and demand, then all will work like bees to avoid the penalty for breaking it. In any case, there is no possibility of completely eliminating all price fluctuations, for in this field man may propose but nature disposes. One thing is of decisive importance: if an individual makes a mistake, then others, by profiting from his experience, can act all the more intelligently. Individual failures are never so disastrous as mistakes made by the government.

There is everywhere manifest today a dangerous tendency to shirk the responsibilities involved in the struggle for economic survival and to shift to the government functions which private business can carry out more efficiently. If the government will only leave prices alone and not confront business with new uncertainties, the different parts of the economic system will protect themselves against too frequent changes by accumulating stocks. Therefore, it cannot be too strongly recommended that the government let the individual decide how best to cope with this problem. Economic activity, like life itself, means struggle for existence. There are no completely satisfactory solutions for the maladjustments of our economic system. The most dangerous thing any government can do is to promise its people a life without risks. Experiments of that kind will inevitably be futile and will merely end in great disappointment. The standard of living can be improved only by economical public administration, by a reasonable tax system and by increased production. At the same time, the government must keep the struggle for existence within certain well-defined limits. In sport, we have the supreme law of fair play. In business, the government should concentrate on enforcing honesty and preventing unfair competition.

In certain fields, it is true, competition may advantageously be eliminated. In the first place, competition has no apparent *raison d'être* whenever it leads to a waste of capital. For instance, no sensible person would suggest that both gas and electric facilities be installed for lighting the same street. But wherever reasonable monopolies come into existence, the government, or some other

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independent body, should see that fair rates are charged.

Secondly, there are fields in which competition may be eliminated for other reasons. For many years it has been possible in Germany to extinguish competition through special governmental authorization. Governments may, for instance, be interested in having the producers of sugar or steel participate in international price control agreements, though such a policy cannot fail to bring about reactions in the domestic market. Again, it may be sound public policy to protect a certain industry in a certain part of the country, such as the German glass-blowing industry. Many people are of the opinion that competition should also be eliminated when necessary in order either to prevent the wastage of natural resources or to keep wages at a high level, as for instance in the bituminous coal and oil industries in the United States. My own experience leads me to be very skeptical of this policy. If one group is given help, other groups demand it; and if they too receive it, a process is begun which only ends by private business manœuvring itself under complete government control.

Thirdly, there are times when in the interest of the whole nation the government subsidizes the development of certain business enterprises, for instance, commercial shipping lines. In such cases, the only thing the government can do is to supervise the manner in which the subsidy is spent; and this includes the regulation of wages and rates. Once embarked upon a subsidy policy, a government is confronted with more and more people asking for aid. For these reasons, I strenuously opposed governmental subsidies in my country, though not always successfully.

Lastly, in time of depression competition may have to be eliminated when it becomes ruinous, as was the case in the American liquor business. Prompted by their instinct for self-preservation, such industries will themselves ask for price agreements. As long as these do not destroy competition completely, producers, wholesalers and retailers may be allowed to enter into them.

No extended and complicated legislation is needed to protect honest business against unfair competition. German experience shows that it is sufficient merely to introduce a few basic rules. For instance, the printing industry in Germany was at one time running at less than 50 percent of its capacity. The result was ruinous competition. Upon investigation, I found that some of the printers who were underbidding their competitors never paid

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their taxes or other public contributions. To be sure, I did not allow the printing industry to set minimum prices, for reasons that I have already explained. I simply permitted it to establish standard prices. Every printer had the right to ask for more, but he naturally quoted the lowest prices his production costs permitted. If he charged below the standard prices he had to inform his trade association accordingly. This entitled the association to ask him to prove that he always met his obligations in taxes, social insurance and wages. If the printer failed to supply this evidence, the association could give him a warning; and in case of repetition it might turn the case over to the government.

Likewise during my tenure as Reich Price Commissioner certain business circles requested that the government not award a contract to the lowest bidder without first examining whether the prices asked were adequate. It was even requested that the lowest bid be excluded altogether. I naturally rejected any such proposals as being bound to lead to a mad race to raise prices. On the contrary, I forbade price agreements and conspiracies in the submission of bids, and I obliged those who broke this rule to pay an indemnity. Furthermore, I decreed that the lowest bidder should get the contract if he was known to be reliable and proved that he was properly paying his taxes, public contributions and wages. The wages might even be below the minimum; but if they were, they had to be ratified by the employees, who in most cases preferred to remain at work rather than go on relief. Such methods help the small business man as well as prevent excessive concentration in industrial control. For it must be kept in mind that the situation of the small employer is more elastic than that of the larger one because he is always in touch with his employees.

All these measures had the same basic idea: namely, that anyone who seeks to put his competitors at a disadvantage by not paying for the public services he enjoys, is unfair. I authorized the different industries to establish rules of fair competition, subject to governmental approval. These measures are flexible enough to be expanded or restricted according to the degree of competition prevailing in a given industry. They do not discourage initiative and responsibility. In time of emergency it is possible to go even farther, by excluding from competition all who are not paying taxes, other public contributions and the stipulated wages.

When German business men had become accustomed to this procedure, they suggested that the exclusion also be applied

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against those who wasted either their own or borrowed money. This I refused to do because it is up to the investor to keep an eye on the security of his money. It is impossible by administrative decree to oblige people to conserve their own fortunes. Another suggestion was that a rule be enacted forbidding anyone to sell at a loss. This also was turned down, for, since every economic activity always involves some risk, business would have come to a standstill. If in sports I were to rule that no participant should use any more energy than the others, everybody would arrive at the goal at the same time — obviously not the object of the contest. By the same token, in economic life the individual must be free to weaken his energies in one field so that he may be stronger in another. If in Germany there had been a law forbidding prices to fall below cost, the development of the large chemical industry would have been impossible. Its enormous progress is due to the fact that in some lines it was able to sell at a good, even excessive, profit and that this profit was then used to develop important inventions, the preparation and initial marketing of which required extraordinary outlays. Thus the law of fair play has to be coördinated with the law of the struggle for survival.

We thus come to the conclusion that fixed maximum and minimum prices are ineffective and eventually lead to a planned economy. While there is no progress, no achievement, without competition, such competition must nevertheless be fair. If, however, competition has already been eliminated, either naturally or artificially, the control of prices is indispensable in order to prevent abuses. But these control measures must be elastic, and they should be administered by only a few highly experienced men rather than by a large bureaucracy. It is the chief duty of every government to establish equal justice, to cultivate good international relations, to insist upon fair play in competition, and to curtail public expenditures and taxes. If carried through, such a policy will stimulate the people to produce a supply sufficient to cover any demand. In the field of international trade, currency stability and a highly developed morale form the basis for fair competition and coöperation. This basis is all the more important since international trade unfettered by any export or import controls is in my opinion an indispensable prerequisite to the world's material progress as well as the best guarantee of peace.

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NEWTON D. BAKER

By Frederick P. Keppel

NEWTON BAKER, though a seasoned public servant, was far from being what is called a national figure when he went to Washington as Secretary of War in March 1916; and on the Atlantic seaboard at least, the appointment definitely offended our folkways. Of course the new Secretary had to be a Democrat, but here was clearly the wrong kind of Democrat. He came from Cleveland, not a good sign in itself, where he had been the disciple and successor of Tom Johnson; he had found nothing better to tell the Washington reporters at his first interview than that he was fond of flowers; and he belonged to peace societies (so did his predecessor, Elihu Root, but that was different). Could Woodrow Wilson have done worse had he tried?

Few of us changed our minds about Baker within the first months of his service. Yet at the Armistice he stood without question in the front rank of our citizens; and in direct violation of the rule that in an ungrateful democracy service in a national emergency is to be quickly forgotten, the years remaining to him were ones of steadily growing reputation. His death on Christmas Day last drew forth unique expressions of admiration and affection from all sections, all parties, and all classes. And yet the man who had died was the same man who came to Washington in 1916, ripened by time and by great responsibilities it is true, but the same man. The change was in ourselves. My effort here is an attempt to trace the steps and to set forth the reasons for that change.

The story of his administration of the War Department has been told by Frederick Palmer in "Newton D. Baker: America at War," and told with sympathy and understanding; we cannot reach our objective by briefly repeating that story, nor can we reach it by comparing Baker's record with that of his predecessors in wartime, and for two reasons: first, the vastness of the undertaking in 1917–18 threw all previous experience out of scale; and second, our military organization had, since the Spanish War, been re-created "under Elihu Root's counselling intelligence" — to use Baker's own phrase. What I set out to do is much more personal in character, and the task has not proved to be an easy one. Natural gifts and long practice had indeed made Baker one of our outstanding public speakers, and a volume of wartime

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addresses collected by his friends in 1918, "Frontiers of Freedom," [1] provides fruitful reading, as do the addresses which later found their way into print, including his greatest effort — the eloquent and deeply moving plea for the recognition of the League of Nations made at the Democratic Convention of 1924. It is true, also, that no adequate collection of American state papers could fail to include a few of his departmental writings (in general, these are to be found in Palmer's book) and that there are other important writings of his — to which reference will be made later on. The entire printed record, however, tells us but little about the man himself, for the good reason that when he spoke in public or wrote for publication the very last thing in his thoughts was Newton Baker. With his genius for friendship, he was, as Raymond Fosdick has pointed out, one of the few remaining exponents of an almost lost art, that of letter writing, and it would have been much more to our present purpose if his voluminous and many-sided correspondence had been available.

It has really been by something like a process of elimination that I have been brought to seek the nature and degree of Baker's influence and the steady growth of his renown, not in the printed record, but rather by gathering together the impressions he made upon all sorts and conditions of men in direct personal contact. Inevitably my thoughts went back to the early days of the war, when I saw him daily and nightly, and what has come to me after these twenty years is no steady stream of recollection, but rather a cavalcade of separate incidents, of figures singly or in groups crossing the stage of memory — each individual as he left the scene carrying away some impression of the man.

Let me try to reconstruct a typical day in his office in the late spring or summer of 1917. At 8.30 A.M. Herbert Putnam might arrive, and in five minutes the Secretary would understand both the wisdom and the practicability of libraries in the training camps of our citizen army, and of having the books later accompany the soldiers to France. Next, a Plattsburg enthusiast who had come to scold might find himself, much to his astonishment, remaining to listen and learn; or some fellow liberal would have to be disabused of the idea that the war was a heaven-sent experimental laboratory for some pet social theory. Fosdick would drop in to go over some point about camp facilities, or Tardieu about the available ports of debarkation in France, or General Bridges

[1] New York: Doran, 1918.

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about temporary provision for our soldiers in England. Big business and transportation and labor would have their representatives, and members of Congress were always in the anteroom, insistent on prerogative in direct proportion, it seemed to us, to the unimportance or impropriety of their purpose. At noon Baker would come out to give at least a handshake and a smile, often an understanding word, to the scores of private visitors for whom it was physically impossible to arrange private appointments. Then home to luncheon with his wife and children, his one act of self-indulgence. Afterward, there might be a quiet hour with Dr. Welch of Johns Hopkins on what modern medical care might contribute to the health of the soldiers. On such occasions he was not to be interrupted, however loudly the heathen might rage in the anteroom. Meanwhile, throughout the day and in the evening the Chief of Staff and the Bureau Chiefs were of course demanding and receiving a full share of his time. In between he somehow managed to conduct an immense correspondence, the formal signing of the departmental mail sometimes taking the better part of an hour, and many of the letters and memoranda he must needs prepare himself being none too easy to compose. The sound of the Provost Marshal General's crutches in the hall told us it was 10 P.M. We could almost set our watches by him, for Crowder (whose wounds, by the way, had been received not in battle but in falling from a Pullman berth) had promptly learned the value of a daily discussion on the problems of a nation-wide draft with this son of a Confederate soldier, who had been raised in a small town, whose student days had been passed in Baltimore and Lexington, and who for fourteen years had been a public officer in Cleveland.

As the long days succeeded one another there were occasional calls from President Wilson, who never announced his coming and never stayed long; and almost daily meetings with Secretary Daniels and other Cabinet officers. One day we would have a phalanx of college presidents, who saw their students melting away and who wanted their institutions taken over — or at least financed — as training camps. On another, a delegation from a city not necessary to name might come to challenge the authority of the War Department to mend their morals for them just because a divisional camp was to be established nearby. In this case the Secretary conceded that the point of law was well taken, and suggested the wholly unwelcome alternative of changing the location of the camp. On still another day our T.V.A. of today

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was, I remember, born in a discussion regarding the sources of power for a nitrogen fixation plant great enough to ensure an unlimited supply of explosives. Once the Secretary scandalized us by explaining *in German* the intricacies of the draft law to a delegation of Hutterian Brethren, an offshoot of the Mennonites. Another time former Secretary of State Elihu Root came to discuss the Mission to Russia. Officers ordered to France had to be slipped in secretly to say goodbye. I can recall taking the future Chief of Staff, General March, out on a balcony and in through a window of the Secretary's private office. Then there were official receptions for generals and statesmen from overseas, conducted with the active and, to us juniors, not always welcome, advice and counsel of the State Department. The frequent meetings of the Council of National Defense also were held in Baker's office and made cruel demands on his time, though they doubtless served their purpose. And, of course, there were many calls to take him outside of his office — Cabinet meetings, Congressional committees, visits to nearby training camps.

And this kind of thing went on all day and every day from eight-thirty in the morning until eleven at night (only two or three hours less on Sunday), but nothing that happened could ever ruffle the tranquillity of the Secretary. How the favorite disciple of the excitable Tom Johnson could maintain throughout the alarums and excursions of wartime Washington this calm imperturbability was beyond our comprehension.

During this period Baker made one hasty trip overseas. Though naturally different, his days there were just as strenuous as those in Washington. Our officers behind the lines were proud of the docks and warehouses and hospitals they were building, and those at the front wanted to show him the morale and appearance of their men. Their determination that the Secretary should see all with his own eyes meant long and arduous trips, between which must be found time for serious discussions. That these discussions were fruitful, we have the public evidence of General Harbord and Charles G. Dawes, Pershing's right-hand citizen soldier; Sir Arthur Salter has told me that it was directly due to Baker's quiet but effective presentation of the situation that the British Government diverted so large a proportion of their ships from highly profitable trade routes to transport our soldiers and supplies.

Slowly at first, and then with increasing rapidity, the picture at Washington changed. Into the service of the War Department

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itself, men of affairs, accustomed to making decisions rather than passing the buck, were being absorbed. Outside it, the direction of the various war boards and war administrations fell into competent hands. Other Federal departments, notably the Treasury, were strengthened by the acquisition of men of first-rate ability. As a result, the direct pressure of non-military matters upon the Secretary of War was correspondingly lightened, and he could concentrate his attention on the problems which came to him not *via* the public reception room but through the door connecting his office with that of the Chief of Staff.

Until the end of 1917, however, no clear distinction could be drawn in Baker's daily work between his military and his civilian activities. He had, in fact, to stand between and, so far as possible, to reconcile two very different human attitudes. The military way of thinking and acting is based on long tradition; instinctively, it avoids lights and shades and doubts; while there might be private jealousies, the Army thought and acted essentially as a unit. The American people, on the other hand, were far from united in 1917. Many were definitely hostile to the whole enterprise, many more were at that time indifferent; certain elements were already outdoing Ludendorff himself in war spirit; very few had any conception of what war really meant. In the task of building up an Army the civilian attitude put much more emphasis than the military upon applications of new scientific knowledge, upon matters of comfort and health, physical and mental, and social and recreational services of all sorts. It recognized, as the Army did not at first, the repercussions upon civil life, that the War Department, for example, was becoming the country's largest employer of civilian labor. It was the Secretary's task to bring about a fusion of these two strains, and the degree of his success may be measured by the fact that the United States was able to build up a great Army, whose courage and endurance were beyond question, whose health record, despite the influenza epidemic, was extraordinary, and whose behavior was the best in the world's history. Two years after the call which brought four million men to the colors, there were actually fewer soldiers in military prisons than there had been when that call was issued. It was, as well, an Army which it proved possible to reabsorb into civil life without undue confusion and difficulty.

Curiously enough, Baker the pacifist won the confidence of the Army officers before he enjoyed that of the public at large. Or

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perhaps this is not so strange after all. Few men in the Army or the Navy are militarists in the sense that our super-patriots deserve the title. It is no wonder that he and Tasker Bliss, scholar and philosopher as well as soldier, should achieve a prompt meeting of minds; but his success, though not so immediate, was equally complete with the more conventional type of professional soldier. Even before the outbreak of war the Bureau Chiefs with civilian responsibilities, men like McIntyre of the Insular Bureau and Black of the Engineers, had found him a Secretary after their own hearts, who had the brains and industry to understand the matter in hand, who in consultation with them would reach a decision, and having reached it would stay put. Of Crowder's conversion I have already spoken, and we know that all these men passed the word along to their fellow officers in the combat branches who had not come into contact with the Secretary.

As to the civilian attitude, on the other hand, we had only to read the daily and weekly press (when we had the chance) to know that outside the Department there was widespread misunderstanding of the Secretary, and more than one center of implacable hostility. It was hard for us to judge whether the countless civilian visitors were exerting an influence in his favor, for, in general, after their visits they promptly left our sight. One very important type of civilian, however, remained under our observation. Baker was incredibly patient but quite firm with the members of Congress who wanted favors for constituents, and little by little it became recognized that though the Secretary's quiet No might be disappointing, no one else would receive a different answer to the same question. In his relations with the two Committees on Military Affairs the picture is somewhat different. Here the Secretary, in his desire to defend his military associates from charges which he knew to be unfair, showed himself rather too skillful as a counsel for the defense to permit the establishment of an early *entente cordiale*. With the more thoughtful members, however, and notably with Senator Wadsworth and Representative Kahn, Republican leaders of Democratic committees though they were, a basis of mutual respect and confidence was established and maintained throughout the war.

The culminating event of this first period of Baker's war administration was his account of his stewardship to the Senate Committee on Military Affairs on January 28, 1918 (twenty years ago, to the day, as this is being written). This was the occasion

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to which the anti-Bakerites had been looking forward in order to "get" the Secretary and force his resignation. Baker, be it said, recognized the good faith and patriotic motives of the great majority of his critics (there were exceptions to be sure, but these didn't count in his mind). He himself was far from satisfied with the progress that had been made in certain essential services and, if it were made evident that a change in direction would be in the public interest, he was just as ready to step aside as when he had offered to resign his place in the Cabinet upon Wilson's re-election. But his testimony revealed such an amazing grasp of the problem as a whole — and in all its parts — so clear a picture of pending difficulties and of the steps being taken to surmount them, that the more thoughtful of his critics saw at once that in going farther for a Secretary of War the country might well do much worse; and though criticism was to continue, this day marked the turning point in the civilian attitude.

At the time, as I have said, we knew only dimly and in part what kind of picture all these people who saw the Secretary of War were taking away with them — soldiers, legislators, scientists, professional and business folk of all sorts — how they described him to their wives that night. But in retrospect, and in the light of Baker's later reputation, which must of necessity have been built up in large part on just this basis, I can, I think, present a pretty fair composite sketch.

His visitors arrived expecting to see a functionary, with all that this implies. They found a man short in stature, fragile in build, who never raised his voice in protest or command, never clenched his fist, never lost his temper. They found a man as completely selfless as it is possible for a human being to be, who instantly and instinctively assumed the other man's sincerity of purpose. Needless to say, this led to occasional disappointments and disillusions, but these were rare and they never embittered his reception of the next visitor. A common meeting ground for discussion was promptly established, and a well-furnished mind, clarity of understanding, and an amazing power of exposition were placed at their service, and at their service as of right and not by favor. But there was, I am sure, something more than these recognizable and more or less measurable qualities to be reckoned with — something intangible, something rich and rare in the man's personality which made his friendship a major event in one's experience. When in the spring of 1917 Theodore Roose-

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velt referred publicly to Baker as "exquisitely unfitted to be Secretary of War," he builded better than he knew in the selection of his adverb, if not of the word which followed it; "exquisite" is the *mot juste* to characterize that delicate combination of personal qualities which had so much to do with Baker's power.

If I had to choose the one quality in his make-up which exercised the most potent influence upon soldier and civilian alike, it would be his courage, an undramatic but imaginative courage, broad enough to cover both a gallant recklessness and a philosophic fortitude. His effective support of the Selective Draft demanded that sort of courage, particularly from so recent a convert to its necessity. To set the pattern of American participation upon so vast and costly a scale took both imagination and courage. And certainly, to break all American tradition by giving the General in the field a free hand and protecting him from criticism meant both courage and fortitude. It was Pershing who kept Leonard Wood on this side of the Atlantic; it was Baker who silently received the resulting storm of protest.

The day-by-day administration of his office gave him many other opportunities to show his mettle. In the general confusion, Congress had adjourned in March 1917 without enacting necessary Army Appropriation Bills; yet for weeks the Secretary by "wholesale, high-handed and magnificent violation of law" (to quote Ralph Hayes) placed contracts for scores of millions of dollars without a vestige of legal authority. Later on, in the selection of officers to fill key positions in the United States, he bided his time, perhaps he overbided it; but when in his judgment the day had come to act, he acted with cool courage. To pass over the entire Quartermaster Corps with its special training, and to choose as Chief of Procurement a retired Engineer officer took courage, even though the man selected was the builder of the Panama Canal, George Goethals. Today it is no secret that in selecting Peyton March as Chief of Staff at a crucial moment the Secretary followed his personal judgment rather than that of his military advisers. March was recognized as a man of the first ability, but to say that he was not popular with his fellow officers is to put it conservatively, and it took something more than courage to make the appointment, for the Secretary quite accurately foresaw that thenceforth many things would be done not as he himself would do them, but in a very different fashion, and that his would be the task of binding the wounds to be in-

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flicted right and left by a relentless Chief of Staff. There can be no question, however, that this selection, and the free hand he thereafter gave to March to reach his objectives in his own way, did much to hasten the termination of the war.

Let me give one final example of Baker's fortitude. After the Armistice the President asked him to be a member of the Peace Commission, an invitation he would have rejoiced to accept, not only because he had something to contribute, but because he sensed, I feel sure, that his presence might have another value, for the President was always at his best with Baker. His clear mind realized, however, that his own war job was only half done, that two million men had to be looked after until they could be shipped back from France, and that these and two million others must be reabsorbed into civil life; there was no shade of hesitation or regret when once more he quietly said No.

It would be no kindness to Baker's memory to maintain that there was no ground for criticism of his administration, and it would indeed ill become a member of his personal staff to do so, for in the earlier days we ourselves were critical enough. We loved him for his faults, but we were sure that the faults themselves were grievous: outrageous overwork; too much tobacco; hours spent in suffering fools, if not gladly, at least with reprehensible patience; over-consideration of the feelings of the unimportant; and, worst of all, a habit of watching and waiting and listening when the situation in our own judgment demanded a prompt and brilliant decision. It was only later on that we could see that his sense of timing was much better than either his friends or foes could realize. It was only in retrospect, too, that we could give him credit for the double gift, so rare in an executive, of leaving some things alone and of seeing that other things didn't happen.

After the war there came four occasions for looking backward; each in its own way throws light on Baker's reputation. The change in national administration in 1921 brought in its train the inevitable official inquiries which sought to find evidence of wrongdoing and particularly of corruption in the conduct of a war which had cost more than $1,000,000 an hour to conduct. The net result of the 37 charges considered by the War Transactions Section of the Department of Justice was two convictions and two pleas of guilty, all in relatively minor cases. As Mark Sullivan put it, "All the charges and all the slanders against Baker's management of the war collapsed or evaporated or were

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disinfected by time and truth." The next two occasions were more or less accidental, but none the less significant. The first was the appearance in the American supplement of the "Encyclopædia Britannica" in 1922, of a seemingly malicious article on Baker. He himself refused to get excited about the matter. In fact, he wrote to a friend: "I am not so concerned as I should be, I fear, about the verdict of history . . . it seems to me unworthy to worry about myself, when so many thousands participated in the World War unselfishly and heroically who will find no place at all in the records which we make up and call history." His friends, however, rallied to his defense, and the result was a flood of published letters from men who knew at first hand of the Secretary and his work. A meeting of the American Legion in Cleveland in 1930 revealed his popularity with enlisted men as well as officers.

Finally in the preëlection year of 1931 there was the customary scanning of the horizon for presidential timber. Newton Baker was obviously in the line of vision, and there was much discussion of his qualifications. In these discussions it became clear that to some degree the sides had shifted: certain of his former liberal and radical supporters found the middle-aged lawyer with a large corporation practice wanting in qualities they had admired in Tom Johnson's City Solicitor, and said so in the condescending style which reformers permit themselves. On the other hand, journals and writers that had been openly anti-Baker in 1917 came out strongly in his favor. Baker himself took no part in the proceedings. He hadn't the slightest intention of going gunning for the nomination. Whether he would have accepted it had it been offered, I do not know. As a good party man, he might have done so, but on the other hand he had already had intimation that his heart had been seriously affected by the strain put upon it fifteen years earlier, and this might well have settled the question in his mind.

In writing for this quarterly, certainly, the question of Baker's interest in foreign affairs must not be overlooked. In his university days he had been a student of history, and thereafter, no one knows how, he had kept up his reading. War itself is perforce an international enterprise, and to keep our forces in France together and under our own flag took constant and difficult diplomatic negotiations with our Allies. It is the general testimony that the leaders from other lands whom he met in Washington and elsewhere both understood and admired him, and I have a theory that one of the reasons, a reason of which he himself was

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quite unconscious, was that like Dwight Morrow of his own generation, like Irving and Hawthorne in the last century, Baker has his place in the line headed by Franklin and Jefferson, the line of those who stand as living demonstrations that one can be as authentically and refreshingly American as Uncle Sam himself, while at the same time conforming to the standards of quiet good manners and sharing *la culture générale* of the Old World.

But it must be added that in his relation to foreign affairs, as in other matters, Baker declines to be subdivided, even in retrospect. His internationalism is only one reflection, though an important one, of an underlying and indivisible faith in our common human nature and faith in the power of ideas. He was no more interested — and no less — in the problem of a coerced minority in the Danubian region than of the corresponding troubles of a Negro group in an American city. He would work with equal ardor toward a joint understanding between China and Japan, or to bring Protestants, Catholics and Jews together here at home.

To understand the years remaining to Newton Baker after he left Washington in 1921 one essential factor must be kept in mind. It would be easy to picture him as a professor in any one of half a dozen fields of scholarship, or as a diplomat, or editor, or executive; but his choice of the law as his life-work, made as a very young man, was as authentic a "call" as any man has ever had to the ministry. He had scarcely started on its practice, however, when he was drawn into the public service, in which he was to remain with hardly a break for a score of years. His return to Cleveland was above all a return to his first love. There was no lack of reciprocal affection on the part of the law, and as a result all his other activities were conditioned upon having to fight for the time he could devote to them.

That his mind was constantly at work upon questions of peace and war there is abundant evidence. Take for example the following passage from his Memorial Address at Woodrow Wilson's tomb in 1932:

> The conference at Paris demonstrated that the sense of victory does not create a favorable atmosphere for the construction of just and enduring peace. The portions of the Treaty of Versailles that were dictated by the spirit of victory are largely the parts of that treaty which still obstruct peace. Nations, like men, have emotions, are sensitive to hurts to their pride, and in moments of passion submerge their better selves.
>
> The only sort of peace which can endure must come from a recognition of virtues as springs of national action as well as guides for individual behavior.

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The future peace of the world cannot be secured by processes which attain diplomatic successes and inflict diplomatic defeats, which inflame nations with a sense of aggrandizement or humiliate them with a sense of wounded pride.

And somehow he found time to do not a little serious writing. In "War and the Modern World,"[2] the memorial lecture for 1935, he paid the boys of Milton Academy the compliment of giving them his best. "Why We Went to War," first published in this review,[3] was really a *tour de force*, of which he himself was naïvely proud. The outward and visible sign of this self-challenge to do a thoroughly scholarly job despite an overwhelming pressure of other tasks was a second desk moved into his office, and piled high with volumes and reports. How and when he found the time to digest the material and write the treatise remains a mystery.

I shall not enumerate his services on national commissions or on private boards, educational, philanthropic and professional, except the Wickersham Commission of 1929, and those on Unemployment Relief in 1930, and on the Army Air Corps in 1934. They drew heavily upon energies which by this time it was all too evident he should have been conserving.

No man in his senses would add all these things to the engrossing demands of an active law practice; but then I am not maintaining the thesis that he had any sense — about himself. He didn't, and there was nothing to do about it. Those of us who, following a British precedent, had organized a Society for the Preservation of Newton Baker, got no coöperation whatever from the subject of our solicitude, and we decided before long that the pain of refusal might really be worse for him than the additional strain of acceptance. From time to time during the last few years he did give up some voluntary service, and made a great virtue of it, but he never failed to replace this by at least two others.

Before the reader lays down this article, I should like him to know that it is not what I myself had meant it to be — namely, an appraisal of a public service, sympathetic naturally, but dispassionate. It has turned rather into a tribute of personal affection. All I can say in extenuation is that the very same thing would have happened had the editor of FOREIGN AFFAIRS selected for the task any other of Baker's associates.

[2] Boston: Houghton Mifflin, 1935.
[3] FOREIGN AFFAIRS, v. 15, n. 1. Later published as a book by the Council on Foreign Relations.

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MINERAL RESOURCES AND PEACE

By C. K. Leith

THE demand for mineral raw materials by the so-called "have not" nations has now become one of the major threats to world peace. Though minerals are not the only raw materials sought, they are the spearpoint of the demands for territorial or other concessions. Special reasons inherent in their use and distribution, moreover, make minerals extraordinarily important. In time of peace the expansion of industry steadily increases the demand for them, while preparations for war mean guns, ships, transportation facilities and mechanization in general, on an ever-expanding scale, with a correspondingly enlarged demand for minerals. The world's mineral resources are exhaustible; they are not reproducible; in many cases they occur within a narrow geographic range; they cannot be legislated into existence; substitutions are possible only to a limited degree.

The problem of mineral supplies in its present form is really new, because the scale of modern demand is immensely greater than anything in past history. While hundreds of scattered mineral deposits are still drawn on, the essential part of the world's production now comes from a very few sources which because of their size and location are capable of development on the necessary large scale. There are not enough of these large sources of supply to go around among the nations. In consequence it has been increasingly necessary to ship minerals internationally. The world has plenty of minerals, but no nation has anywhere near enough of *all* kinds to satisfy the needs of its own industrial development or to complete its preparations for war.

This situation developed so gradually up to the time of the Great War, so little hindrance was put in the way of the movement of minerals between nations, that the degree to which nations were dependent on foreign sources was not fully recognized. Whether national supplies came from domestic sources or from abroad, the assumption was that whatever was needed would be provided through ordinary trade channels. The war brought a rude awakening to the fact that no nation could be sure of a steady supply from abroad. Trade routes were disrupted, substitutions proved costly and inadequate. As for the Central Powers, the acute shortage of essential minerals which they

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experienced was a very considerable factor in their ultimate defeat.

After the war, then, the industrial nations of the world and the nations which hoped to become industrialized began for the first time to take accurate stock of their mineral positions, with a view to avoiding a repetition of their war experiences. There followed an intensive exploration and development of domestic supplies. In some cases the government operated directly, in others it gave subsidies. Substitutes were developed, export embargoes were set up, and in many countries the exploitation of minerals by foreigners was forbidden. These activities were extended to colonies and mandated areas. Some of the leading industrial countries also intensified their efforts to secure commercial control of essential minerals situated outside their own borders, as illustrated by the efforts of the British to add to their supplies of oil.

Self-sufficiency with regard to mineral supplies is now recognized as one of the main goals of economic nationalism. The drive has reached the stage where industrial nations less well supplied with minerals are demanding the return of lost colonies and the shifting of mandates, and are threatening to occupy — or have already actually seized — territories belonging to other countries that contain or are believed to contain mineral reserves.

It is hard to say which is the dominant motive back of the movement for self-sufficiency in mineral supplies — the desire for a higher standard of living through industrial development, or the desire for military power. The two really go together, because war cannot be successfully fought or a country successfully protected without industrial development.

The leaders of the "have not" minerals group are Germany, Italy and Japan. The principal nations in the group of "haves" are the United States — the world's greatest owner, producer, seller and consumer of minerals — and the British Commonwealth of Nations, which is almost as richly endowed as the United States. Together these two Powers, either within their own boundaries or elsewhere, control about three-quarters of the world's mineral supplies; further, they control the seas over which those supplies are carried. Also to be classed as secondary "have" nations are France (including her colonies) and Russia, though the latter is less well endowed in proportion to her needs than is popularly supposed.

Significantly, the "have not" states are governed by dictator-

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ships, while the two which control over three-fourths of the world's mineral resources are democratic.

Now there is much popular misconception about the results of the effort to attain self-sufficiency in minerals. There have been notable technological advances in the use of low-grade materials, in the extraction of oil from coal, in the creation of new alloys, and in the development of substitutes. But propaganda — political, commercial and scientific — has overstated the net results and has seen to it that the limitations and disadvantages are not pointed out. Science and political determination can do wonderful things, but an objective review of achievements to date leads to the conclusion that the attempt to attain autarchy has only slightly lessened the demand on the world's natural supply of minerals and that the huge cost of seeking substitutes largely offsets the advantages claimed. Furthermore, so far as the effort toward self-sufficiency in minerals results in lessening a nation's dependence on foreign sources, it does so at the expense of creating exchange difficulties, which in turn lessen the means available to purchase needed supplies from abroad.

To give point to these generalizations let us look at the situations in Germany, Italy and Japan.

Germany. Before the war, when Lorraine was still a part of the German domain, 92 percent of the nation's iron ore requirements was obtained from domestic sources. Following the loss of Lorraine there began the intensive development of miscellaneous low-grade reserves of iron ore and an increased collection of scrap. These two sources now provide about a third of the total requirements. It is estimated that this proportion can be brought up to about 40 percent. This will mean the use of ores of such extremely low grade that the effort must be heavily subsidized by the government. Already the cost of producing pig iron from domestic ores is estimated at double that from better-grade imported ores; this is due to the higher mining and smelting costs and the heavy expenditure for new plants. Still higher costs are to be expected if even lower-grade ores are used. In short, while Germany has slightly lessened her need of foreign ores, this has been done at excessive cost, and there is no prospect that she can free herself of dependence on foreign sources, principally Sweden, for about 60 percent of her supply. So vital has German dependence on the iron ores of Sweden become that the control of these deposits in case of war begins to loom as an important strategic problem.

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Germany is now attempting to restrict imports of oil by developing domestic resources and by manufacturing oil products from coal. The production cost of gasoline originating in Germany is now roughly estimated at four times the world market price. Nevertheless, she is making huge expenditures in the hope of bringing production up to about half of her total requirements. Doubtless this can be done, but the cost will be excessive.

Turning to copper, we find that Germany's domestic production, mainly from the Mansfeld copper district, amounts to about 14 percent of her need. It is hoped to raise this production to nearly 25 percent. The industry is very heavily subsidized by the government, bringing the cost of copper far above the world price. Even so, Germany can never be free of dependence on foreign sources for over three-quarters of her needs. In a further effort to avoid the importation of copper Germany has decreed the substitution of aluminum, magnesium and other light metal alloys wherever possible. This is not left to private choice but is mandatory. To facilitate the process Germany has become the world's largest producer of aluminum and magnesium. But the total effect of these substitutions is only a minor reduction in the quantity of copper needed.

Germany possesses no deposits of commercial-grade manganese ore; but by use of manganese from manganiferous iron ores she hopes to bring up manganese production to about 40 percent of her present requirements. The domestic production of zinc ore has accounted for about 65 percent of requirements; but by development of low-grade deposits and the discovery of a new deposit in the Ruhr district this figure will be brought up to 100 percent. Domestic production of lead amounts to about 35 percent of consumption. Government financial aid in the use of low-grade supplies is expected to reduce present imports of lead and lead ore from two-thirds to one-half of the total national requirements. Germany formerly produced no quicksilver. By opening up low-grade quicksilver ore in an old mine she hopes to supply about 10 percent of her needs. Efforts are being made to replace nickel by substitutes, and a small amount is being produced domestically by government subsidy. But even at best Germany will have to obtain over 90 percent of her nickel from abroad.

But after all these efforts, the net result is that Germany still is dependent on foreign sources — in some cases for her entire supply — to fill her normal requirements of aluminum, antimony,

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chromite, copper, iron, lead, magnesite, manganese ore, mica, nickel, petroleum, phosphates, quicksilver, sulphur, tin and tungsten. Furthermore, as wartime consumption is far above normal, these deficiencies will in such circumstances be even greater. The shortage in iron, oil and copper is the most critical because war requires those minerals in large quantities. Most of the other minerals are used in such small volume that sufficient stocks of them can be accumulated to carry through short periods though not to last out a long war.

Whatever gains Germany has made in augmenting her domestic production of minerals or in developing substitutes have been offset by two factors: added costs and the increased exchange difficulties encountered in securing supplies of those minerals which she must still import from abroad. The attempt to achieve mineral self-sufficiency is merely part of the general movement toward autarchy which, by limiting the international exchange of goods, is reducing Germany's capacity to pay for foreign raw materials. Imports of oil from Venezuela and of miscellaneous minerals from Poland, Czechoslovakia, Austria and Turkey are now possible only because of the willingness of those countries to take German machinery and other products in exchange. The situation is further aggravated by the fact that a large part of Germany's production of raw materials, both mineral and non-mineral, is going into war matériel which cannot be exported for the creation of fresh foreign exchange. The same exchange difficulties also interfere with the acquisition of control over mineral reserves in foreign countries. Even where Germany already owns mines abroad (*e.g.*, zinc in Poland, chromite in Turkey and Jugoslavia, and bauxite in Greece, Italy and Jugoslavia), she still is faced with the problem of exchange.

If Germany's effort to attain mineral self-sufficiency were really making progress she would be pressing less vigorously for the return of colonies and for expansion into Eastern Europe and the Balkans. Precisely because autarchy has not come into being as scheduled, Germany is increasing her demands that, in order to eliminate her exchange difficulties, she be given political control over raw material sources outside her own boundaries.

Italy. Italy's domestic production of iron ore amounts to only about 20 percent of her total consumption of iron and steel. The percentage is being raised by a greater use of pyrite ash, by the utilization of low-grade iron carbonate deposits, through the

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roasting process, and by the treatment of ancient iron slag deposits. Nevertheless, Italy cannot eliminate her essential dependence on foreign iron sources.

The coal produced in Italy is only about 8 percent of the country's total requirements, and all coking coal for the steel industry must be imported. To reduce imports, a greater use is being made of domestic coal, with its high sulphur and ash content; and electric power is being substituted wherever possible. But any increase in the domestic output of coal will be at a high cost and at best will reduce imports only slightly.

Domestic crude oil production amounts to only 7 percent of the country's requirements. Hydrogenation plants, one of which will use lignite as its principal raw material, are being built. Here again the result will be only a minor increase in domestic production, achieved at high cost and without materially reducing the need for imports. As for copper, Italy produces less than one-half of one percent of her total needs. All possible substitutes are now being used; therefore, dependence on foreign copper sources will continue. Her present need for foreign manganese will, she hopes, be reduced materially by the development of her own very low-grade manganese ores, though here again costs will probably be excessive.

Italy has not been able, then, materially to reduce her dependence on foreign sources for most of her iron ore, coal, copper and crude oil, and for all of her chromite, nickel, tin and tungsten. The critical minerals — critical because of the large quantities in which they are required — are coal, copper, iron and oil. And, it is worth noting, each of these is needed in time of war in much larger volume than during peace. The conquest of Ethiopia has brought Italy no mineral resources of importance, nor are the prospects bright that there will be further discoveries in that quarter.

As in the case of Germany, Italy's campaign for autarchy and the resultant scarcity of foreign exchange are making it increasingly difficult for her to purchase the supplies she needs from abroad.

Japan. Japan mines within her own territory only 35 percent of the iron ore she needs to meet her steel requirements. The problem of securing a steady and adequate supply of iron ore imports has not yet been satisfactorily solved. The conquest of Manchuria placed the political control of extensive iron deposits in Japanese lands. But the ores are of very low grade, requiring

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concentration and yielding a product too high in silica. Japan's recent occupation of North China will add to her resources a very limited supply of fairly good ore. In addition, she has obtained commercial control of small ore reserves in the Philippines, the Malay States, Australia and British Columbia. But in Australia her enterprises are encountering political difficulties, as will probably be the case elsewhere if she tries to expand them.

Japan's domestic coal supply is nearly adequate to her needs when measured in total figures, but it is inadequate in terms of coking coal and anthracite. These deficiencies are being remedied by the extensive use of Manchuria and North China coals, control of which Japan has secured.

Japan produces only about 7 percent of her petroleum needs. At present she is establishing plants in Manchuria for the extraction of oil from shale. She also has a concession in the Soviet part of Sakhalin from which she is obtaining petroleum, and another in Dutch Borneo which is not yet in production. She is also building a plant for the recovery of oil by the hydrogenation of coal. Oil production, refining and importation are all subject to government license, and the important oil companies are required to keep in stock an amount equal to one-half of their imports of each item during each year, such stocks to be sold in case of emergency to the Japanese Government at its own price. The net result of these activities still leaves Japan dependent for the major part of her oil requirements on imports, principally from the Netherlands East Indies and the United States.

Japan has the largest reserves of copper ore in the Orient; she nevertheless has to import a considerable quantity of that mineral.

Japan's critical shortages, then, are in iron ore and oil. These would be especially acute in time of war, though offset to some degree by the accumulation of stocks in time of peace. In addition, she is largely dependent on imports for her aluminum, antimony, chromite, lead, nickel, manganese, phosphates, potash, tin, tungsten and zinc supplies, and to a minor extent for copper. As in the case of Germany and Italy, exchange difficulties are limiting access to foreign supplies, thereby reënforcing the expansionists' demand for the extension of Japanese political control over foreign sources.

It will by now have become clear that the Powers which are deficient in minerals are not making much progress in their at-

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tempt to attain autarchy in minerals; that, in fact, their program of economic nationalism is causing them increased difficulties in obtaining the supplies which they continue to need from abroad. Just how much longer they can continue to pay the advancing costs of these needed foreign supplies raises a serious question. The conviction is growing both in the "have" and the "have not" nations that a different course of action will soon be necessary.

Is there any peaceful solution of the problem? Obviously, the most rational course is the restoration of international trade, allowing the free flow of raw materials. There are enough resources in the world to meet the needs of all nations. What is needed is the elimination of all barriers interrupting the easy movement in international trade. Unquestionably, we should bend every effort to effect such a program. But it runs directly counter to the policy of economic nationalism. There is always the chance, of course, that internal revolutions may upset the policies of the aggressive nations or that their rulers may change their minds and follow a new tack. Unfortunately, the evidence is that the autarchic nations intend to persist in their present courses, leading to ever-increasing pressure for territorial expansion — by war if necessary — in order to obtain foreign mineral supplies.

The cession of territory on a scale large enough to satisfy the requirements of the "have not" nations would mean the transfer not only of colonies but of important self-governing nations. Simple arithmetic shows that parts of the English-speaking, French and Russian domains would have to be included. Anything short of such a wholesale transfer would still leave the "have not" nations in an inferior position in regard to mineral supplies. Their efforts to obtain them — by one means or another — would presumably continue.

The United States cannot escape being vitally concerned in this problem because of its leading position in the production, distribution and consumption of the world's raw materials, and because of the hazard involved in any attempt to maintain neutral shipping rights. The self-sufficiency of the United States in raw materials is relative, not absolute. If all our imports were cut off, our industry would indeed return to the "horse and buggy" days. We could build neither an automobile or a battleship. Our deficiencies are mainly in the so-called ferro-alloy group of minerals used in the steel industry, including chromite, manganese, nickel, tin and tungsten. There is also a lack of antimony, mercury,

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certain varieties of mica and graphite, as well as of other minerals. No one has yet found an adequate steel-making process which can dispense with manganese even though only fifteen pounds of this mineral are required in each ton of finished steel. The ramified interrelations of the use of all of these minerals are so complex in modern industry that the lack of a single one often has far-reaching consequences. Most attempts to remedy our mineral deficiencies by applying new technologies to our submarginal deposits have thus far been unsuccessful. Intensification of these experiments would most likely lead only to the same difficulties which the autarchic nations are experiencing.

A possible course of action still remains, one that has received little public discussion but which nevertheless may come decidedly to the fore in the near future. I refer to the use which the democratic countries can make of their possession of the major part of the world's mineral resources, together with their control of the sea, to maintain, by force if necessary, a modicum of law and order in the world.

The idea of mineral sanctions has been ably championed by General Smuts, Sir Thomas Holland and others, but as yet it is little understood by the public in any country. The traditional assumption that military power is to be measured largely by population has delayed recognition of the fact that in reality the possession of great natural resources has concentrated in a small handful of states the power to sustain a long war. The rest of the countries in the world, regardless of their great areas and population, simply cannot build up their war power to more than a small fraction of that of the dominant group. The question is: How can this power be used collectively on behalf of peace? Small as this dominant group is, it contains highly diverse national interests which very likely cannot be harmonized except under the compelling psychology of war. A realistic view of the international minerals situation nevertheless seems to indicate that sooner or later war may have to be fought collectively by the "have" nations if they are to preserve their material (not to mention ideological) positions. In view of that fact, is there not some way to use the great power that lies in our hands to preserve world order and to limit or perhaps even deter aggression? The democratic Powers possess the might necessary to uphold their interpretation of the right. Are they willing to use it?

Mineral sanctions belong to the general category of economic

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sanctions provided for in Article XVI of the League Covenant. However, in order to be effective, mineral sanctions would not necessarily have to be identified with the procedure in Article XVI nor need they be applied by any states but the United States and the British Commonwealth of Nations, supplemented perhaps by France and Russia. True, sanctions failed against Italy; but that was because they were badly planned and only partially enforced. That experience shows the difficulties to be overcome, but it by no means disproves the effectiveness of sanctions that are carefully devised and sternly applied. If mineral sanctions are to be effective, time must be taken in advance for exhaustive planning. The plan must take into account the peculiar mineral needs of the various nations and the foreign sources from which they are supplied, together with steps to be taken to counteract all attempts to defeat the sanction by substitutions, by the accumulation of ore stocks in advance, by indirect channels of access through countries not parties to the plan, and by other means. The problem admittedly is difficult. Yet enough work has already been done on it to indicate the reasonable probability that mineral sanctions can be made effective.

I am not attempting to formulate a panacea for war. My purpose is rather to call attention to the fact that minerals have become a leading cause of world unrest; that nature's distribution of mineral deposits confers immense potential power on a few nations; that possession of these minerals by these few nations may force them to use that power in self defense; that this raises the further question whether such power may not be used affirmatively and collectively to maintain world order; and that the time has come for a general study of how this might be done effectively. I cannot too strongly emphasize that the United States, because of its leading mineral position, is directly and inevitably involved in this matter, and that it and the British Commonwealth have jointly the greatest responsibility for finding a wise and practicable solution.

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EIRE AND THE BRITISH COMMONWEALTH

By H. V. Hodson

AFTER sixteen years of troubled life, the Irish Free State executed its own death warrant on December 29, 1937. Its successor, though it includes but twenty-six of the thirty-two Irish counties, is officially entitled "Eire, or in the English language, Ireland." According to Article 2 of the new constitution, "the national territory consists of the whole island of Ireland, its islands and the territorial seas." Article 3 brings us back to earth by affirming that "pending the re-integration of the national territory" the laws of the Parliament of Eire shall extend only as far as did those of the Irish Free State. This casuistry epitomizes the Irish problem of today; for the leaders of the twenty-six counties, while perforce accepting the present reality of the partition of Ireland, will sacrifice none of their permanent ideal of a unified country. Moreover, to minds like Mr. de Valera's the unaccomplished ideal is far more important than the existing reality. Such facts as these largely explain the inability of Great Britain and Ireland hitherto to reach a lasting settlement; for the British temperament, by contrast, is always ready to accept a practical compromise, to forget the past and to let the future take care of itself.

The original proposal was to call the state simply "Eire." The Dail and the Irish public, however, reminded the Government that their national heroes had fought and died, not for Eire, but for Ireland, and that Ireland, not Eire, claimed the love of the scattered Irish people. This was a shrewd blow for political realism. The ideal of a "united Ireland" makes an appeal, not only to Irishmen wherever they may be, but even to Englishmen who would merely scoff at the notion of a "complete Eire." The political commentator, however, is threatened with perpetual confusion between the political Ireland of twenty-six counties and the physical Ireland of thirty-two. In this article, therefore, the name "Irish Free State" is generally used to denote the twenty-six-county state, whether before or after its change of title.

The Irish Free State was always a misfit in the British Commonwealth. It was a misfit, not because its creation was a bad

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compromise at the time, but because it represented an attempt to assimilate to the self-governing Dominions — Canada, Australia, South Africa, New Zealand — a country that had scarcely anything in common with them beyond its newly created status. Ireland was a mother country of the Empire, a land of emigrants rather than immigrants. She had a history, not of gradual devolution from British control, but of gradual and enforced submission to that control followed by violent reaction against it. Her "Dominion status" was the result, not of the peaceful working-out of British principles of self-government, but of a "dictated" armistice. She was a predominantly Catholic country, finding special difficulties in her relations with a compulsorily Protestant monarchy. Moreover, she was and is a European country, physically unable to detach herself from the political and strategic problems of the Continent or of her greater neighbor.

The mingling of such unlikes in the general category of "Dominions" had a twofold effect. On the one hand, the development of Dominion status was accelerated and distorted by the pressure from the Irish Free State for forms of autonomy that other Dominions often did not particularly want. British opinion (as shown, for instance, by the debates on the Statute of Westminster) was sometimes uneasy at according its near, and suspect, neighbor rights that could be granted to a distant Dominion — Canada, say — without any sense of danger. On the other hand, the lumping together of disparate "Dominions" obscured the realities of Great Britain's relations with Ireland and also with the distant members of the British Commonwealth, by pinning to the whole set of problems the label "Dominion status."

This helps to explain the complete disappearance of the Irish problem from British politics from 1922 onwards, save for a brief interval in 1932 when the controversy over the oath of allegiance and the land annuities stirred a faint ripple on the parliamentary pool. The English always avoid facing a problem if they conveniently can; and this problem, after dominating politics at Westminster for a century, could be comfortably shelved and forgotten by the process of bundling it in with the general question of British Commonwealth relations. British lack of interest in the Irish problem in the past decade and a half has often exasperated and baffled the leaders of the Free State, where Anglo-Irish relations have naturally stood head-and-shoulders above all other issues of the day.

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The scene has now radically changed, partly through the way in which the Irish Free State has outstripped the oversea Dominions in constitutional development. Under Mr. de Valera, it first did away with the Governor-General, and has now replaced him by an elected President. It has relegated the Crown to the status of a convenience in external affairs. The British official view, supported by all the other Dominion Governments, is that the new Irish constitution does not alter the Free State's position as a member of the British Commonwealth of Nations, and that Irish citizens are still, outside their own country, "British subjects." But it is now impossible for the most ostrich-like British observer to lump the Irish Free State and the oversea Dominions together. Indeed, the Irish experience itself has shown that the problem of Dominion status, as a problem in constitutional autonomy, has practically ceased to exist; for these Irish reforms were carried out in accordance with legal rights established by the Statute of Westminster and confirmed by the Judicial Committee of the Privy Council. On the economic side, of course, the Free State has been completely differentiated from the oversea Dominions by its exclusion from imperial preference in the United Kingdom market.

But an even more powerful force has been at work to undo the consequences of identifying the Free State with the other Dominions. That is the change in international politics since 1931. Wars and threats of wars have led us, in the first place, to see that constitutional formulæ are much less important in British Commonwealth relations than more material questions. What are the actual foreign policies and defense policies of the Commonwealth nations, and what may they be expected to do in a crisis? These questions obviously cannot be answered in terms simply of Great Britain on the one hand and the Dominions on the other, but must be faced in respect of each self-governing country of the Commonwealth separately. In the second place, both Britain and Ireland have been compelled to view the problem of their mutual relations in the light of the international risks they run in a rearmed world. That problem is no longer merely a conundrum in constitutional symbolism, but an urgent exercise in strategic danger and political and economic interest.

Ireland's external interests and policy, in regard to such matters as the League of Nations, the European problem, the colonial problem, world economics, and national and collective defense,

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are determined by the facts of her history and geography. She is a small European country, a Catholic democracy, a country in reaction against "imperialism," an agricultural country set upon achieving a more balanced economy, a small Power in the strategic lee of a great Power.

She is a dissatisfied Power only in her relations with Great Britain, not in relation to the world at large. Abroad she is essentially on the side of peace and order. Some of Mr. de Valera's utterances at Geneva have had the quality of moral and political vision that in the earlier days of the League we learnt to expect from Scandinavian statesmen like Branting. The Free State has been ready to take its share of the risks and sacrifices necessary to maintain world order. It was with the great majority of the League in imposing sanctions against Italy in 1935, and to his credit as a statesman Mr. de Valera refused, though taunted by the Opposition, to use the occasion to make a deal with Great Britain. But its attitude towards intervention in foreign conflict has always been restrained. When the 1937 Assembly of the League was debating its resolution on Spain, Mr. de Valera led the opposition to the clause containing a veiled threat that if non-intervention were not rapidly made a reality the League Powers might abandon it. In this case the insistence upon non-intervention as a national policy, even though it was internationally but a gesture, was partly due to a cleavage between internal and external considerations. While factors of foreign policy would normally range the Free State with France and Great Britain, the sympathies of the mass of the Irish Catholic population were with General Franco, who was then the main beneficiary of intervention in Spain. There is in Catholic Ireland a constant distrust of Soviet Russia, which has its effect on the Irish attitude towards France and the whole European problem.

But there was also another underlying reason for Mr. de Valera's attitude towards non-intervention — the position of the Irish Free State as a small Power among great Powers. This is brought out by the fact that no less than fourteen of the smaller member-states of the League joined her in abstaining from voting on the clause in question, not counting two which voted against it. The difficulties of the League since 1935 have caused many of the smaller Powers to look for their salvation in permanent neutrality instead of collective security; for they always regarded the League rather as a means of preventing war than as a means of

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securing them allies at the price of drawing them into "collective wars." This tendency has touched not only the Irish Free State but also the other countries of the British Commonwealth.

An even more striking instance was Mr. de Valera's recent decision to accredit an Irish Minister to the King of Italy as Emperor of Abyssinia. This might perhaps be regarded as a flagrant violation of principles of international conduct to which the Free State had solemnly subscribed. It certainly caused embarrassment in British circles, since the new Minister would present his credentials (under Irish law) in the name of His Britannic Majesty, whose constitutional divisibility would not be apparent to foreign eyes. Some people suspected anti-British mischief as Mr. de Valera's motive, but it must not be overlooked that his policy was supported in the division lobby by Mr. Cosgrave's party, and opposed only by Labor. A clue to a sounder reason may surely be found in the fact that a few days later the Netherlands Government suggested to the other Oslo Powers that they recognize Italy's Abyssinian Empire *de facto*. Here was another case in which the small countries felt the discomfort of maintaining an idealistic position which they had not the physical means to defend, and which they suspected the larger Powers of maintaining for not entirely altruistic reasons.

The outlook of Mr. de Valera's Government on international affairs makes them look with favor on the present British policy of seeking a reconciliation with Germany as part of a general settlement. In this they conform with the trend of opinion in the oversea Dominions, which feel that they have no direct concern with problems of frontiers and minorities in eastern Europe, and would like to see a limit set on Britain's commitments — and their own. The Irish Free State recognizes even more plainly than they that it cannot escape being involved in any general European war, if only because of its strategic relation to Great Britain. But it has also a special reason for leaning towards a settlement with Germany. Not being then in existence, the Free State had no part or lot in the Versailles Treaty. Indeed, it retains a grievance against the Peace Conference for refusing to accept an independent Irish delegation. Mr. de Valera was a rebel against the victorious British; he would be only human if he felt a more than average sympathy with the defeated Germans.

This factor naturally has its reflection in the Irish Free State attitude towards the colonial question. But here a more powerful

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influence comes into play. Seeing itself as a nearly emancipated victim of British imperialism, the Free State is opposed in principle to the subjection of other races and peoples to imperialist power. This is largely a theoretical attitude, of course; for Irishmen, as one of the principal emigrant peoples, have played more than their full part in constructing the British Empire. But it undoubtedly affects the Irish approach to international problems involving the relations of dominant to subject races. A remarkable instance of such a reference to Irish parallels occurred in the debates at Geneva last September on the future of Palestine. Mr. de Valera objected strongly to agreement in advance that the solution of an acknowledged problem lay in partition. That, he said, was the cruellest wrong that could be done to any people. He was not the first commentator to apply to the plan of the Palestine Royal Commission a lesson drawn from the experiment in Ireland, but he was certainly the most inflexible in his deductions. The partition of Ireland, in fact, was a compromise between conflicting rights, and the proposals for Palestine are another; compromise, dear to the Englishman as the condition of democratic politics, has little appeal for the Irish temperament. It was significant that in his intervention over Palestine Mr. de Valera, shying from the logical conclusion that the present Jewish minority should be handed over to the Arab majority in a single self-governing State, had no alternative solution of his own to offer, but threw up his hands at the truism that irreconcilables could not be reconciled.

The different incidence of principle and expediency in the minds of the parties has helped to determine the course of the Anglo-Irish economic dispute. Originally, this was closely entangled with the dispute over constitutional forms, partly because the question of the tribunal to adjudicate on the quarrel raised the whole issue of Ireland's position in the Commonwealth, partly because the compensatory duties imposed by Great Britain, though primarily intended to raise the lost revenue, had at least the appearance of an attempt at economic sanctions against a constitutional pact-breaker. Today, in British eyes, the constitutional dispute and the economic dispute are no longer indivisible, and the latter seems clearly open for separate settlement by compromise on "business lines." It may be as well to recall its outlines. Under two inter-governmental agreements, the Irish Free State had been paying the British Exchequer certain

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annuities, totalling roughly £5,000,000, the bulk of which represented the service of loans raised to enable Irish tenant-farmers to buy their land. When Mr. de Valera came into office in 1932 he denied the validity of the agreements, asserting that the Irish Free State had been relieved of responsibility for any portion of the British National Debt, and claiming, indeed, that Great Britain owed Ireland £300,000,000 for part over-taxation, and an unspecified sum for losses caused by the devaluation of sterling. The British Government retorted by imposing on cattle and other staple Irish agricultural exports special import duties calculated to yield the same sum as the land annuities; in this they have fairly accurately succeeded. Great Britain also refused to negotiate with the Irish Free State at the Ottawa Economic Conference, on the ostensible ground that it was no use making a fresh agreement with a country that had just broken an old one. The Irish Free State thus fails to enjoy imperial preference in the United Kingdom market. Mr. de Valera's response was to impose high retaliatory duties on coal and important manufactures from Great Britain. He did not remit the entire land annuities to the ex-tenant-farmers, but continued to collect half of them for the benefit of the Irish budget. Part of the proceeds, however, was used to subsidize exports in order to gain an entry into the British market despite the high duties.

In purely economic and financial terms, therefore, the situation was almost farcical. The Irish farmer complained that he was paying the annuities twice over — once to the Free State Government, and once to the British Government in the duties on his exported product. In the Irish budget, the credit of the retained annuities was offset by the debit of the subsidies *plus* the missing customs and other revenue attributable to the lost trade with Great Britain. British agriculture received an extra measure of protection from Irish competitors, but suffered restraint on its supplies of virtual raw material — Irish store cattle. The British budget found itself all-square on the direct transaction, but paid the penalty of unemployment and loss of profits in the export trades and other economic activities indirectly affected. In brief, a fiscal quarrel reached a position of stalemate, with profit to neither side, at the expense of a natural and valuable economic exchange.

It is hard to imagine two countries better suited for free and complementary trade than the Irish Free State and the United Kingdom. They are such close neighbors that transport is no

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hindrance; indeed, in view of the cheapness of water-borne transport and the existence of great ports and distributing centers like Liverpool and Dublin, the costs of transport may actually be less than they would be if the Irish Channel were dry land. The fiscal land-frontier between the two countries is geographically and economically artificial; the amount of smuggling that goes on across the boundary between the Free State and Northern Ireland is a tribute to the volume of profitable trade that would take place if there were no artificial barriers. Ireland has little coal; England, Scotland and Wales have plenty. Ireland has an insufficient home market for mass-production industries; Great Britain has an ample one. Great Britain must import huge quantities of agricultural produce; Ireland must dispose of a large agricultural surplus. Ireland, besides being a cattle-breeding ground for English pasturage, and probably the best horse-breeding country in the world, could and should be a market garden and dairy for the English urban masses. In finance, the tourist industry and other economic activities there is the same complementary interest.

It is true that the pursuit of "a better balanced economy" is a fixed objective of Irish Free State policy. But Mr. de Valera's policy of industrial protection has itself been severely handicapped by the Anglo-Irish economic dispute, with the consequent impoverishment of Irish agriculture and high cost of imported goods. The figures tell a remarkable tale. Between 1926 and 1931 the net output of industrial establishments in the Irish Free State rose from £23,078,000 to £25,602,000, and the volume of employment they afforded from 89,800 to 96,200. From 1931 onwards there are no complete figures, but on the basis of the returns from 23 principal industries we may estimate that by 1935 the net output had risen to £31,000,000 and the numbers employed to 155,000. Here was an extraordinary advance. But what was the price? The same table in the Statistical Abstract for the Irish Free State shows that the average wages paid to those employed fell from £120 per annum in 1926 to £115 per annum in 1931 and £97 per annum in 1935. In terms of purchasing power, the wage index (1926 = 100) was 118 in 1931 and 96 four years later. Since the above figures represent *average* wages, it is easy to imagine that the lowest wages paid were not far above subsistence level. Yet, despite the lack of obvious financial temptation, people were leaving the countryside for urban employment. Between the

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censuses of 1926 and 1936, the total population of the Irish Free State fell from 2,972,000 to 2,966,000. Meanwhile the population of greater Dublin (including Dun Laoghaire) rose from 426,000 to 507,000, and there were increases also in Cork, Limerick and Waterford and many smaller towns.

The fall in the population is by itself sufficient tribute to Irish economic difficulties. It was certainly not due, in a predominantly Catholic country, to that deliberate regulation of the size of families which is spelling the numerical decline of other Western peoples, nor was it due to migration to the New World; it resulted, in the first place, from the extraordinarily late age of marriage — a direct result of economic pressure — and, in the second place, from migration to Great Britain. Since the onset of the world depression Great Britain has been an immigrant country on a considerable scale. A continuation of the migration from Ireland at its present rate of roughly 30,000 per annum will postpone for a number of years the decline in the total British population which is otherwise imminent.

The economic folly of the fiscal dispute is recognized by informed public opinion on both sides. The recognition has been concretely expressed in the series of so-called "coal-cattle pacts" between the Free State and British Governments. These warily relaxed the restrictions on certain special items of trade, without, however, touching the main issue. On the British side at least there has grown up a desire for a permanent and comprehensive settlement, going beyond the purely financial issues and taking in the whole trade relationship between the two countries. At this point, however, the problem is complicated by the entanglement of the economic issue with constitutional principles, on which Mr. de Valera will not yield.

The fact that at the same time Mr. de Valera was withholding payment of the annuities he abolished the oath of allegiance to the King to be taken by members of the Dail confused the constitutional and financial issues in the public mind. They were also directly connected through Mr. de Valera's refusal to accept the arbitral procedure mapped out by the 1930 Imperial Conference for disputes between member nations of the Commonwealth. He insisted that the choice of chairman for the arbitral tribunal should not be restricted, as in the 1930 project, to citizens of the Commonwealth. The question of principle is plain. To accept a foreign chairman would be to admit that inter-Commonwealth

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disputes were not domestic — as between one community of His Majesty's subjects and another — but international in the full sense. This was an admission which the British Government was not prepared to make, but it was vital to Mr. de Valera's theory of "external association" as the relation between Ireland and the other Commonwealth countries. That theory, which he first adumbrated in the famous "Cuban interview" of 1920, is now fully embodied in the new constitution of Ireland. Before long, no doubt, British opinion will become accustomed to the new position, and the former question of principle will die a slow but natural death.

What remains as the practical bone of contention between Great Britain and the Irish Free State? Mr. de Valera himself has reduced it to two issues — the partition of Ireland and the British naval occupation of Irish ports. In British eyes, the rights and wrongs of separating Ulster from the rest of Ireland in 1922, as a province of the United Kingdom, seem less important now than the practical problem of getting Ulster to accept any alteration of her present status. That appears to be a problem for Irishmen themselves to face; and although Mr. de Valera placed partition in the forefront of the subjects he intended to discuss with British Ministers at their meeting in January, even he has shown signs of recognizing the same truth. At least he has acknowledged in practical form that to set up a republic now would be to slam the door against the "reintegration of the national territory." Under the new constitution, Eire is a republic neither in title nor in substance.

The issue of national defense is peculiar in that on the Irish side, it brings into the same camp with Mr. de Valera some of the leading exponents of the ideal of Irish unity under the British Crown; while on the British side it raises a far more determined front than do the constitutional issues, simply because it involves national security.

The Anglo-Irish Treaty of 1921 provides that the Irish Free State shall afford the Imperial Forces, both in peace and in war, certain harbor and other facilities at Berehaven, Cobh and Lough Swilly; also that the defense force of the Free State shall not exceed in proportion to the British military establishment the ratio between the populations of Ireland and Great Britain. It is the former clause, not the latter one, that is at the root of the trouble. The Treaty provided that after five years the Free State might

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assume a share in its own coastal defense — a right which has not yet been exercised. British maintenance parties are still in occupation of the harbor defenses of the three ports mentioned, and British warships are stationed there.

It is not surprising that this should be regarded in Ireland as an intolerable encroachment on national sovereignty. It would probably be so regarded, in these days, even by so loyal and British a Dominion as Australia. It puts in pawn Ireland's freedom to be neutral in the event of war between Great Britain and a European Power. On the other hand, from the British viewpoint these naval facilities are vital to the strategy of national defense. Over one-third of the tonnage sunk by German submarines in the war of 1914–18 was lost off the coast of Ireland. That area holds the greatest of all the maritime dangers for Britain's vital oversea supplies. Moreover, a guard on the coasts of Ireland is essential to British defense. The possibility of a foreign landing in force is not perhaps so serious as that of gun-running to aid or foment disorder in Ireland, including of course the northeastern counties.

Mr. de Valera has offered a pledge that, once the sovereignty of Ireland as a nation were fully recognized, he would never allow the country to be used as a base of hostile operations against Great Britain. In British eyes, valuable though this may be, it is not enough. It is not enough, first, because Ireland is not believed to have the means to see that the pledge is effectively carried out, since she has no navy, scarcely any air force, and only a small though efficient army; secondly, because it does not provide for the needs of British naval defense on the high seas. British opinion has nevertheless been moving in the direction of a fresh agreement with the Free State which would take account of her national susceptibilities. It is more and more clearly recognized that a hostile Ireland would be every bit as dangerous to Great Britain as the risk of foreign intervention by way of the Irish coasts, and that a friendly Ireland would be as valuable a defensive asset as rights to land troops and defend ports which might possibly have to be maintained by force of arms against Irish opposition. The famous Simonstown agreement between Great Britain and the Union of South Africa suggests, to some British observers, the lines of a possible compromise. Under that agreement, South Africa assumes responsibility for the whole of her coastal defenses, but she maintains no navy and her naval defense proper is undertaken by Great Britain; for this purpose

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the latter retains on South African soil the great naval base of Simonstown.

The essential basis of the Simonstown agreement is the assumption that in any war in that part of the world South Africa and Great Britain would both be engaged, and engaged on the same side. Unless and until Germany rebuilds a great High Seas Fleet, or Japan breaks through the Singapore barrier, the agreement does not compel South Africa to participate in more distant wars. The Irish case is rather more difficult. Its solution turns on this question: Is there likelihood, to the point of certainty, that in any European war in which Great Britain was engaged, and in which the forces opposing her were so strong that they could deploy naval or air forces off the Irish coasts, Ireland would also be engaged, and engaged on the same side? That is the key question in Anglo-Irish relations today, and therefore in the relations of Ireland to the whole British Commonwealth. If it is to be answered in the affirmative, not only must the vital interests and international ideals of each country be closely studied by the other; there must be continuous and cordial collaboration between them in all matters of foreign policy. Many British and Irish people believe that the vital interests and ideals of Great Britain and Ireland are fundamentally the same, and that the recent demonstration of Irish constitutional independence makes such collaboration not more difficult, but easier to attain.

This view is borne out by the announcement of the London negotiations between British and Irish Ministers made while this article was in preparation. No such development was possible while Mr. de Valera's intentions regarding the Irish constitution were unformulated or unfulfilled; for if the British Government had been asked for their view beforehand they could only have expressed objection. They were not asked, and wisely said nothing, with the result that the practical issues between the two countries can now be freely discussed on their merits. By the time this article is read, the fruit of those conversations will probably be known; but whatever the result, the fundamental facts of Ireland's position in the British Commonwealth will remain the same, for they are products of history and geography which no statecraft can exorcise.

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ORGANIZED LABOR UNDER THE SOVIETS

By Manya Gordon

THE avowed purpose of the Bolsheviks in seizing power in Russia twenty years ago was the establishment of a proletarian dictatorship. It is true that Lenin's first objective was a world revolution, but when he discovered that Europe had other plans he gave his entire attention to the building of Socialism in one country. The Bolshevik slogan was "All power to the Soviets!" In these soviets the workers were to be in supreme command: the Russian Socialist Soviet Republics and the Dictatorship of the Proletariat became synonymous terms. And indeed for a short time the workers did dominate the political and economic scene. It was they who comprised the famous shop committees which had complete control of factories, mines and all other industrial enterprises, and which gave orders to engineers and executives.

But this intimate relation between the Communist dictatorship and Soviet labor did not last very long. Lenin soon discovered that in order to build the Socialist State he must have "strict unity of will," and that this could only be obtained by "subjecting the will of thousands to the will of one." [1] Thereafter the steadily increasing power of the One registers a corresponding decline in the power of the Many. Today the Soviet wage earner has no power whatever. Nevertheless, we still describe Communist Russia as the dictatorship of the proletariat. Even the most searching investigators of conditions in Russia do not take the trouble to portray for us the actual status of the Soviet worker in terms other than those of wages. Victor Serge [2] and Sir Walter Citrine [3] in their valuable books on Russia give very little information regarding the prestige of organized labor. They corroborate the Communist assertion that every Soviet wage earner belongs to a union, but they do not describe the rôle of the labor union in the whole Soviet scheme. Thus we find that when even the most loyal friends of labor discuss Russia they focus their attention on the political machinery, the increase in production, the expansion of education, and so on, but somehow overlook the position of organized labor. And so we continue to speak of the dictatorship of the proletariat long after the Communists have destroyed the last vestige of labor representation in the factories.

Last March Stalin abolished the so-called "triangle." This was the three-cornered shop committee consisting of the factory manager, the secretary of the Communist cell and the representative of the trade union workers in the factory. Ostensibly, the last two members of the "triangle" were concerned with safeguarding the interests of the workers. Actually, their influence had been closely circumscribed. The factory manager paid little attention to their demands and accepted their opinion only when it coincided with his own. For all that, the "triangle" had become part of the Soviet industrial system and its Communist and trade union members were the only link between the workers

[1] Lenin, "The Soviets at Work." New York: Rand School, 1918, p. 30.
[2] Victor Serge, "Russia Twenty Years After." New York: Hillman-Curl, 1937.
[3] Walter Citrine, "I Search for Truth in Russia." New York: Dutton, 1937.

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and the management. Even this scarcely perceptible bond has now been removed: the factory manager exercises absolute power.

In the United States the abolition of anything so important as the "triangle" would be considered anti-labor legislation, and would evoke a storm of protest from the trade unions. But in Communist Russia it is represented as a "reform for the betterment of the workers," and is accepted by them without the slightest opposition. Reporting on the "reform" to the Central Committee of the Communist Party, the Leningrad party leader Zhdanov explained that the "triangle" had lost its usefulness and that the result of its activities was bedlam. The removal of this "clot" in the Communist management system relieves the factory manager of needless worry and gives him the freedom to do what is necessary. On the other hand, the workers will be in a position to state their grievances "more freely," for, according to M. Zhdanov, hitherto "the managers had ignored the needs of the workers" while the other members of the "triangle" had failed to do their duty.

Apparently the national trade union leaders must have taken the reform seriously, for they proceeded to discuss the plight of the toilers in Soviet Russia "freely." They were thereupon arrested for counter-revolutionary activities. In 1920, Lenin had declared: "Our present Government is such that the proletariat, organized to the last man, must protect itself against it. And we must use the workers' organizations for the protection of the workers against their Government."[4] But to recall Lenin's dictum in 1937 was dangerous, for it obviously refers to a dictatorship and not to "the most democratic country in the world" which has created "the most democratic constitution in the world."

The Soviet trade unions have no resemblance to our labor organizations in any real sense. They possess neither the authority nor the functions of our unions. Membership in them is compulsory. In other words, they mean more to the employer — in this instance, the Government — than they do to the workers. Because of their compulsory membership and because they belong to the employer, the Soviet labor unions have been compared to our own company unions. Actually the Soviet unions have even less power than our company unions. The latter operate in a democracy and may influence labor legislation. In the shop they have a certain freedom of action, with the right to discuss hours and wages. Furthermore, the existence of regular trade unions reinforces the position of the company unions by setting general standards. To retain his company union the employer must in a measure be guided by the hours, wages and working conditions which prevail in enterprises where regular union workers are employed. Our company unions may conceivably call a strike. In Soviet Russia strikes are a crime and strikers are shot down by the Communist militia, as they were in the Donetz coal basin in 1930. There are, then, no trade unions in Russia in our meaning of the term. Soviet unions are merely a form of labor exchange or government employment bureau.

Lenin knew that the Russian worker is not the abject creature which some friends of the Communist Government would have us believe. They do sometimes get out of hand, as the Tsarist secret police found when in 1904 they stimulated the formation of a labor organization which was meant to keep the laborers quiet but which actually ended in the demonstrations of "Bloody

[4] "Complete Works of Lenin." 2nd edition, Moscow, 1930, vol. 26, p. 67.

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Sunday," January 22, 1905. Lenin seemed to be cognizant of this fact. At any rate he was always careful not to deprive the workers of a privilege without giving something in exchange. Thus when he abolished the shop committees, he ordered a serious drive for unionization among the workers to compensate them for their loss in authority. Unionization did not restore their lost privileges but it kept them occupied. Lenin was a keener politician than Stalin. He tried to make the decline of the workers' prestige a gradual process. When the powerful shop committees disappeared, the workers were represented in the new "triangle." Nominally they still retained the right to discuss hours and wages, whereas in fact those matters were decreed by the Commissariat of Labor. Today they are fixed by the factory manager and his decision is final.

The managers, haunted by the Government's forced-draft industrialization program, have therefore ceased to follow the terms of the labor code in regard to working hours and wages. *Trud*, the official Soviet trade union publication, complained on April 10, 1934, that instead of the official seven-hour day "overtime is practised on a large scale, especially in the heavy industries. Cancellation of the prescribed holiday, every sixth day, has become a common occurrence." In 1934 a special investigation by the All-Ukrainian Committee of the Machinists' Union reported: "In the factories of the Machine Trust the employees usually work from 14 to 16 hours a day . . . without being paid for overtime."[5] On March 29, 1934, *Trud* reported that in the mines of the Don Basin the six-hour day is being nullified: "The night shift works 9 and 10 hours." Similar conditions prevailed all over Russia. At the Tcherepetzk steel plant in the Moscow district "a group of steel operatives for three months worked an average of 15 hours a day." During the last three years, Stakhanovism, the celebrated piecework speed-up system, has completely wiped out the official code of hours and wages.

The position of the trade unions in itself is precarious. The shop committees were succeeded by the "triangles." In these the workers had only one angle though the labor delegate was at least supposed to be elected by the union members in the factory. Actually when the union representative was not acceptable to the Communist Party he was immediately replaced by one that was. Legally the Soviet workers have the right to elect the officials of their unions. This, however, like so much else in Soviet Russia, is a paper prerogative only. Again *Trud* corroborates this statement. On February 27, 1933, it comments on the trade union elections in Kazakstan: "The workers elected 26 chairmen of the councils of the Central Trade Unions, 120 branch leaders of the Central Trade Unions, 138 chairmen of District Trade Councils, 2,476 chairmen of local factory committees. Thereupon, six councils of the Central Trade Unions, which included two of the most important trade organizations, were dissolved by the Communist Party. Almost all the other elected members of the Central Trade Unions and the local unions were replaced by Communist Party appointees. These appointments were not ratified by the unions." On April 24, 1934, it reports conditions in the Ivanovsk district: "Last February committees were elected in 74 factories. Of those elected, three months after their election, only four chairmen still retain their positions. The others have been changed two, three, four, and even five times without consulting the workers."

[5] *Trud*, May 11, 1934.

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To be sure, it is the Communist argument that the trade union representatives are really everywhere. They are in the Government, even in the Central Committee of the Communist Party. Actually, therein lies the mischief. Unless trade union representatives are freely elected by the workers and are responsible only to them, their presence in the Government, which in Russia is the employer, is detrimental to the interests of labor. The trade union representatives are Government appointees and owe allegiance to Stalin and not to their labor constituencies. Consequently they serve Stalin. An analogous situation in the United States would be if Mr. Lewis and Mr. Green were appointees of the National Manufacturers Association, and represented the labor unions in their capacity as members of the Association. Even then, our own workers would still have freedom of speech, press and the ballot, and so could bring their grievances before the public.

Officially, the sphere of activities of the Russian unions today comprises insurance, factory inspection, sanitation, general welfare. Towards the budget of these activities the trade union members contribute 2 percent of their wages. In 1934 Russia had 22½ million trade union workers from whom the Government collected a neat sum of money. Nevertheless working conditions grew worse. Under a democratic régime where wage earners have the freedom of the ballot and a free press, 22½ million trade union members could accomplish a great deal. But under the shadow of the OGPU, they are helpless. Factory inspection and sanitation are among the most urgent problems in Soviet Russia. By making the solution of these vexing problems the duty of the trade unions, the "Workers' and Peasants' Government" merely avoids responsibility. It deprives the trade unions of their rightful duties but thrusts upon them an obligation which in other countries belongs to the government.

This procedure serves a double purpose. In the first place, it relieves the Soviet Government of responsibility for indescribable conditions in the mines and factories. Secondly, in time of stress — as the recent purgings demonstrate — it enables the régime to remove "undesirable" labor representatives by accusing them of negligence and sabotage. Every so often a few labor leaders who are Communist appointees are shot or imprisoned, yet the disgraceful conditions continue. On March 23, 1934, *Trud* quoted a resolution adopted by the Donetz Trade Union Council: "Many trade unions of the Don Basin consider the Labor Inspection an alien body in the trade union system and do not render it any aid whatsoever, nor do they carry out the instructions of the trade union inspectors." The attitude of the factory managers towards the inspectors is even more contemptuous. "Zimin, the manager of the central group of the Don Basin mines, tore up the instructions of Inspector Samusoff and threw the latter out of his office. During a technical conference at the Rutchenko mines the chief engineer, Kuznetzov, chased Inspector Dubrovin out of the office. The manager of the Korsun group of mines threw Inspector Vodolazkin out of the office because the latter insisted upon the enforcement of the safety regulations. The trade union officials are well aware of these facts but do nothing to protect their inspectors."

In 1935 the trade union crisis reached the point of "self-criticism." In other words, the Dictatorship of the Proletariat was compelled to open the floodgates and give the workers an opportunity to pour out their grievances. Condi-

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tions as described by the workers and recorded by the Soviet press were black indeed and apparently too much even for the Government. At any rate, Stalin did precisely what Nicholas II, the Little Father of his own day, would have done. The discussions were stopped as suddenly as they were started.

In 1937 Stalin again found it necessary to relieve the pressure, and the air was once more filled with "self-criticism." At a meeting of the Central Trade Union Council in March the labor leaders deplored "the flagrant violations of the rights of the trade unions and the neglect of the needs and demands of the union members as the chief characteristic of the entire trade union system in the U. S. S. R." (*Trud*, March 26, 1937). They confessed that the trade unions "neglect their duty to protect the workers and enforce safety regulations." *Trud* (April 2, 1937) throws light on the personnel of the trade unions responsible for this neglect of duty: "In all the unions, from the central boards to the craft committees, the undemocratic appointive system is in use. General meetings are practically nonexistent. The leaders make no reports to the members. For years there have been no elections to the Central Unions."

The official Communist organ *Pravda* continues the indictment. Referring to the condition of the trade unions in 1935, the editor tells his readers (April 8, 1937): "A year and a half have passed, and if the situation has changed, it has changed for the worse." The upshot of this tragi-comedy was the dismissal in May of the entire secretariat of the Central Trade Union Council, branded as "enemies of the people." Four of the Council's highest officials were arrested and charged with malfeasance, Trotzkyism and sabotage. In an effort to appease discontent among the workers the Communists from time to time throw their own trade union appointees to the wolves.

The subjugation of the workers in Russia has upset a basic law of economics. Heretofore it has been axiomatic that industrialization increases the relative importance of labor. The industrial expansion of Britain and the United States was paralleled by a steady rise in the workers' power. The increased demand for workers strengthened their influence as a class. But in this respect Soviet Russia has reversed the law of supply and demand.

Under the dictatorship of the proletariat high-pressure industrialization has from the beginning of the first Five-Year Plan been paralleled by a steady decline in the power of the wage earners. The Russian workers have been deprived of every trade union privilege and are helpless against their oppressors. The Okulov Law of August 15, 1933, makes it a crime for any worker to leave his job, no matter how irksome it may be. The penalty is six months' imprisonment and confiscation of his property. On the other hand, he can be dismissed for any reason whatsoever. An unguarded phrase about conditions or lack of subservience to the OGPU representative in the factory can brand him as a deviationist and a wrecker and may lead to his dismissal.

Once he falls from grace the Soviet worker has no redress. He becomes an outcast. His fellow workers are afraid to defend him. The trade unions, having no power, are unable to help him even if they wanted to. Thus, under the Dictatorship of the Proletariat the worker has no security whatever. His food and his cramped sleeping space — his "coffin" in popular parlance — belong to his employer, the Government. Once dismissed, he is destitute. Under a workers' government the trade unionism of workers is discredited and abolished.

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RECENT BOOKS ON INTERNATIONAL RELATIONS

By Robert Gale Woolbert

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General: Political, Military and Legal

CIVITAS DEI. By LIONEL CURTIS. New York: Macmillan, 1934–1937, 3 v. $9.00.

In these three volumes a vigorous and steadfast Christian mind attempts to define "the chief end of man" in the modern world. The growth of the idea of Commonwealth is traced from the beginning of recorded time until now, and the conclusion is reached that man can realize his best possibilities only through unremitting service to the common good in a democratic State. The argument is made in terms of thought that are in some respects deeply personal. The conclusions have significance in view of the fact that Mr. Curtis, as a practical politician during the past thirty years, working on South African, Indian and Irish affairs, has had a direct influence on the transformation of Empire into Commonwealth.

EUROPEAN CIVILIZATION: ITS ORIGIN AND DEVELOPMENT. VOLUME VI. POLITICAL AND CULTURAL HISTORY OF EUROPE SINCE THE REFORMATION. EDITED BY EDWARD EYRE. New York: Oxford University Press, 1937, 1624 p. $7.50.

A comprehensive work by twelve contributors.

THEORY AND PRACTICE IN INTERNATIONAL RELATIONS. By SALVADOR DE MADARIAGA. Philadelphia: University of Pennsylvania Press, 1937, 105 p. $1.50.

Lectures at Swarthmore College by the Spanish diplomat and publicist.

BELIEF AND ACTION: AN EVERYDAY PHILOSOPHY. By HERBERT SAMUEL. Indianapolis: Bobbs-Merrill, 1937, 344 p. $2.50.

The Liberal leader, President of the British Institute of Philosophy, constructs a practical working philosophy for use in this "age of confusion."

LIBERALISM FACES THE FUTURE. By CLARENCE R. SKINNER. New York: Macmillan, 1937, 159 p. $1.50.

A program for keeping liberalism alive in an increasingly unliberal world, by the Dean of Tufts College School of Religion.

TRADITION AND MODERNISM IN POLITICS. By ARTHUR JOSEPH PENTY. New York: Sheed, 1937, 183 p. $1.75.

The author, once known as a Socialist, now attacks Marxism. He believes that all political theory must start with the fact of Original Sin and that in the good society there must be a proper balance between agriculture and commerce.

PROBLÈMES DE POLITIQUE EXTÉRIEURE. By JEAN MISTLER, PAUL TIRARD, PAUL REYNAUD, LUCIEN HUBERT, ALBERT MOUSSET, ALBERT RIVAUD, MAURICE PERNOT, STEFAN OSUSKY. Paris: Alcan, 1937, 223 p. Fr. 18.

Lectures by statesmen — French and otherwise — on the Danube, the Rhine, the Mediterranean and the League.

ÉCONOMIE ET DIPLOMATIE. By HENRI HAUSER. Paris: Sirey, 1937, 86 p. Fr. 12.

Lectures delivered at the University of Rio de Janeiro on the "new conditions of foreign policy" by a French historian.

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THE FIGHT FOR PEACE. By R. B. Mowat. Bristol: Arrowsmith, 1937, 155 p. 3/6.
An uninspired review of recent international affairs.

VÄRLDSPOLITIK. By Olof Grönwall. Stockholm: Nordstedt, 1937, 183 p. Kr. 3.75.
A summary from the Swedish point of view of political events in 1935.

PROBLEMS OF WAR AND PEACE IN THE SOCIETY OF NATIONS. Berkeley: University of California Press, 1937, 155 p. $1.50.
Lectures by six professors in the University of California.

THE CAISSONS ROLL. By Hanson W. Baldwin. New York: Knopf, 1938, 323 p. $2.50.
A survey of the state of European rearmament by the military and naval correspondent of the *New York Times*. Each of the Powers, both great and small, is taken up and its military situation analyzed carefully and concretely. Much of the material in this authoritative book was obtained by the author during his personal investigation of the principal European armies and navies.

A HISTORY OF MILITARISM. By Alfred Vagts. New York: Norton, 1937, 510 p. $4.75.
A sociological investigation into origins and historical developments, accompanied by numerous cartoons and ample notes.

HANDBUCH DER NEUZEITLICHEN WEHRWISSENSCHAFTEN. Edited by Hermann Franke. Berlin: De Gruyter, 1936-1937, 2 v. M. 36.
An encyclopedia of military knowledge illustrated by hundreds of maps and sketches, prepared for the Deutsche Gesellschaft für Wehrpolitik und Wehrwissenschaft.

THE NEXT WAR. By L. E. O. Charlton. New York: Longmans, 1937, 82 p. 75 cents.
A circumstantial chronicle of the coming war. In three days the air fleets of Germany and Italy will reduce England and France to submission.

WINGED WARFARE. By E. J. Kingston-McCloughry. London: Cape, 1937, 286 p. 10/6.
Essays on the strategy of military aviation by an English air officer.

L'ARTE DELLA GUERRA IN MARE. By Admiral Oscar di Giamberardino. Rome: Ministero della Marina, 1937, 444 p. L. 20.
Naval strategy and doctrine in the light of contemporary political conditions.

POISON IN THE AIR. By Heinz Liepmann. Philadelphia: Lippincott, 1937, 308 p. $2.50.
The horrors of gas in the next war vividly prophesied by an anti-Nazi exile.

CHEMICALS IN WAR. By Augustin M. Prentiss. New York: McGraw-Hill, 1937, 739 p. $7.50.
The technique of chemical warfare by a Lieutenant Colonel in the United States Army.

INTERNATIONAL LAW. VOLUME I. PEACE. By L. Oppenheim. Edited by H. Lauterpacht. New York: Longmans, 1937, 819 p. $16.00.
This fifth edition of an outstanding text embodies developments of the last decade.

DIE INTERVENTION IM VÖLKERRECHT. By Hermann Mosler. Berlin: Junker und Dünnhaupt, 1937, 89 p. M. 4.
The legality of intervention by one nation in the domestic affairs of another examined from the German point of view.

COLONISATION: PRINCIPES ET RÉALISATIONS. By Christian Monheim. Anvers: L'Avenir Belge, 1937, 132 p. Fr. 30.
A concise comparative study by the Librarian of the Belgian Colonial University.

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FOREIGN NEWS SOURCES AND THE FOREIGN PRESS: A BIBLIOGRAPHY. By Ralph O. Nafziger. Minneapolis: Burgess, 1937, 124 p. $1.75.
A useful mimeographed list of some 2,500 books and articles.

LA SOCIÉTÉ DES NATIONS: CENTRE D'ÉTUDES ET SOURCE D'INFORMATIONS. By A. C. de Breycha-Vauthier. Paris: Pedone, 1937, 104 p. Fr. 25.
A useful guide through the wealth of information in the League's publications.

POLITICAL HANDBOOK OF THE WORLD: 1938. Edited by Walter H. Mallory. New York: Harper, for the Council on Foreign Relations, 1938, 210 p. $2.50.
The latest edition of this indispensable manual takes account of elections, cabinet changes and similar important political events up to January 1, 1938.

General: Economic and Social

THE GREAT POWERS IN WORLD POLITICS: INTERNATIONAL RELATIONS AND ECONOMIC NATIONALISM. By Frank H. Simonds and Brooks Emeny. New York: American Book, 1937, 682 p. cxxxvi, $4.00.
This revised edition of a standard work contains new text, 10 additional maps and an enlarged bibliography.

INTERNATIONAL RAW COMMODITY PRICE CONTROL. By Robert F. Martin. New York: National Industrial Conference Board, 1937, 166 p. $3.50.
Covers cotton, wheat, sugar, coffee, rubber, silk, tea, copper and tin.

WIRTSCHAFTLICHE GLEICHBERECHTIGUNG. By Hermann J. Held. Berlin: Staatswissenschaften und Geschichte, 1937, 176 p. M. 11.
A German view of international economic equality through reciprocal trade treaties.

RAILWAYS OF THIRTY NATIONS: GOVERNMENT VERSUS PRIVATE OWNERSHIP. By P. Harvey Middleton. New York: Prentice-Hall, 1937, 328 p. $3.00.
A comparative treatise covering six continents.

PETROLEUM: MACHT DER ERDE. By L. Nauwelaerts. Leipzig: List, 1937, 288 p. M. 6.50.
A young Fleming discusses the world's oil industry in its economic and political aspects, Germany's efforts to produce synthetic petroleum, and similar questions.

STUDIES IN INCOME AND WEALTH. Volume 1. New York: National Bureau of Economic Research, 1937, 348 p. $2.50.
Papers prepared by several economists for the Conference on Research in National Income and Wealth.

NATIONAL INCOME AND CAPITAL FORMATION, 1919–1935. By Simon Kuznets. New York: National Bureau of Economic Research, 1937, 86 p. $1.50.
A preliminary statistical report.

THE DOLLAR. By John Donaldson. New York: Oxford University Press, 1937, 271 p. $3.75.
Recent American monetary experiments critically analyzed.

WILL GOLD DEPRECIATE? By Paul Einzig. New York: Macmillan, 1937, 178 p. $2.00.
A frequent writer on financial questions explains why he thinks that "in the long run the price of gold will rise and will be fixed well above the present figure."

INTERNATIONAL SHORT-TERM CAPITAL MOVEMENTS. By Charles Poor Kindleberger. New York: Columbia University Press, 1937, 262 p. $3.00.
A technical study, timely because of the current "hot money" question.

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THE FOLKLORE OF CAPITALISM. By Thurman W. Arnold. New Haven: Yale University Press, 1937, 400 p. $3.00.

A Yale law professor and New Deal adviser attempts to distinguish between political dogmas and what he asserts to be reality.

SOCIALISM VERSUS CAPITALISM. By A. C. Pigou. New York: Macmillan, 1937, 139 p. $2.25.

A Professor of Political Economy at Cambridge treats his subject with fairness and from a purely economic point of view.

SOCIAL PHILOSOPHIES IN CONFLICT. By Joseph A. Leighton. New York: Appleton-Century, 1937, 546 p. $4.00.

A Professor of Philosophy in Ohio State University — after dissecting Fascism, Communism and Naziism — proposes a program for preserving democracy through socialization and "coöperation."

A NEW SOCIAL PHILOSOPHY. By Werner Sombart. Princeton: Princeton University Press, 1937, 295 p. $3.50.

An English translation of Sombart's "Deutscher Sozialismus," in which the great German sociologist and economist forsakes scientific analysis, though by no means accepting the Nazi Weltanschauung in its place.

HUMAN AFFAIRS. Planned and Edited by R. B. Cattell, J. Cohen and R. M. W. Travers. New York: Macmillan, 1937, 360 p. $4.25.

What scientists, social and natural, are doing — and could do — to aid the progress of man, explained by 15 recognized authorities.

THE PROLETARIAT. By Goetz A. Briefs. New York: McGraw-Hill, 1937, 297 p. $3.00.

A stimulating treatise by a Catholic sociologist, formerly with the Technische Hochschule in Berlin. There is a chapter on the failure of Socialism in America.

LABOR IN CANADIAN-AMERICAN RELATIONS. Edited by H. A. Innis. New Haven: Yale University Press, 1937, 212 p. $3.75.

Two studies — "The History of Labor Interaction," by Norman J. Ware, and "Labor Costs and Labor Standards," by H. A. Logan — prepared for the Carnegie Endowment for International Peace.

THE OXFORD CONFERENCE. By J. H. Oldham. Chicago: Willett, Clark, 1937, 290 p. $2.00.

The official report of the International Conference on Church, Community and State.

YOUTH: A WORLD PROBLEM. By W. Thacher Winslow. Washington: National Youth Administration, 1937, 138 p. 25 cents.

An uncritical compilation of information, largely official, about the conditions, organizations and future prospects of youth in 58 countries.

The World War

WOODROW WILSON: LIFE AND LETTERS. VOLUME VI. FACING WAR, 1915–1917. By Ray Stannard Baker. Garden City: Doubleday, 1937, 543 p. $5.00.

This latest addition to the "official" biography of Wilson will attract wide attention since it deals with the year and a half prior to American entry into the World War. As the biographies and private papers of Wilson's contemporaries are published, and as new information is unearthed by such agencies as the Senate Committee on Munitions, the more grist there is for Mr. Baker's mill. In the present volume he has made full use of this new material. Since it covers the period from the fall of 1915 to early April 1917, it naturally has as its central theme Wilson's patient efforts to keep us out of war. His object in so doing, we come more and more to see, was to protect the American

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people not only from the actual horrors of war but from that invasion of their rights and liberties which he knew must accompany any war regardless of the idealistic motives for which it was ostensibly being fought. His passionate devotion was to peace, a just peace. Even after he was convinced that his Cabinet and the country at large were ready for war with Germany, he was reluctant to take the fatal step because he felt that American participation would make more difficult the creation of a just — and therefore enduring — peace. Among the other problems facing Wilson during these trying months were the complications with Mexico, the campaign for preparedness, the election of 1916 and his reform legislation — all of which are woven by Baker into the fabric of his narrative. To a large though not annoying extent Baker lets Wilson speak for himself through his letters, notes, addresses and recorded conversations.

AT THE PARIS PEACE CONFERENCE. By James T. Shotwell. New York: Macmillan, 1937, 444 p. $4.00.

Professor Shotwell was one of the leading experts in Colonel House's "Inquiry." This commission, organized in 1917, assisted the American Government, first by preparing for the Peace Conference and second by helping work out the terms of the treaties at Paris. Except for five introductory chapters of "retrospect," Professor Shotwell's book consists of his diary from December 3, 1918, to July 9, 1919.

ISTRAGA U SARAJEVSKOM ATENTATU. By L. Pfeffer. Zagreb: Nova Europa, 1938, 174 p. 60 din.

An examining judge at the trial of the men accused of having plotted the Sarajevo assassinations of June 28, 1914, presents the results of his investigations into this famous case. He describes the events and evidence in considerable detail, accompanying his text with numerous photographs.

MILITARY HISTORY OF THE WORLD WAR. By Girard Lindsley McEntee. New York: Scribner, 1937, 583 p. $7.50.

A chronological compendium on the land and sea operations, which the author illustrates with some four hundred and fifty maps and charts.

CHINA AND THE WORLD WAR. By Thomas Edward La Fargue. Stanford: Stanford University Press, 1937, 278 p. $3.25.

A sound diplomatic history, No. 12 in the "Hoover War Library Publications."

MILITARY OPERATIONS, FRANCE AND BELGIUM, 1918. Volume II. By Brigadier-General Sir James E. Edmonds and Major A. F. Becke. New York: Macmillan, 1937, 550 p. $4.50; 12 maps, $2.00.

A detailed and documented history based on official documents and prepared under the direction of the Historical Section of the Committee of Imperial Defense.

L'ARMISTICE DU 11 NOVEMBRE 1918. By General H. Mordacq. Paris: Plon, 1937, 249 p. Fr. 16.50.

A French military writer reconstructs the events immediately connected with the end of hostilities. He believes it would have been wise to sign the armistice on German soil as a tangible evidence of Germany's defeat.

DAS KAMPFSCHICKSAL DER DEUTSCHEN FLOTTE IM WELTKRIEG. WAS WIR VOM SEEKRIEG NICHT WISSEN. By Georg-Günther Freiherr von Forstner. Leipzig: Seemann, 1937, 423 p. M. 6.

This popular recital of German naval glories during the World War seeks to disprove the general belief that the navy was inactive or useless.

DIE REICHSBEFESTIGUNG ÖSTERREICH-UNGARNS ZUR ZEIT CONRADS VON HÖTZENDORF. By Eduard Ritter von Steinitz and Theodor Brosch Edl. v. Aarenau. Vienna: Militärwissenschaftliche Mitteilungen, 1937, 80 p. M. 2.40.

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This latest addition to the official Austrian War History emphasizes the value of the Monarchy's frontier fortifications.

THE ORIGINS OF AMERICAN INTERVENTION IN NORTH RUSSIA (1918). By Leonid I. Strakhovsky. Princeton: Princeton University Press, 1937, 140 p. $2.00.

A scholarly reconstruction of a little-known episode in American war history.

PODGOTOVKA VELIKOY PROLETARSKOY REVOLUITSII. Edited by M. Gorky and Others. Moscow: Izd. "Istoriya Grazhdanskoy Voyny," 1937, 578 p. $2.00.

This is the first volume of the projected large-scale history of the Russian Civil War and covers the period from July 1914 to October 1917.

IL SERVIZIO INFORMAZIONI DELL'ESERCITO ITALIANO NELLA GRANDE GUERRA. By General Odoardo Marchetti. Rome: Tipografia Regionale, 1937, 262 p. L. 15.

The Italian army's information service during the Libyan and World Wars.

The United States

FRANK B. KELLOGG: A BIOGRAPHY. By David Bryn-Jones. New York: Putnam, 1937, 308 p. $3.75.

The career of one of the negotiators of the Kellogg-Briand Peace Pact. From a Minnesota trust-busting lawyer he became Senator, Ambassador to Great Britain, Secretary of State (under Coolidge) and Judge on the Permanent Court of International Justice. The author, Professor of International Relations at Carleton College, was able to avail himself of unpublished documentary material and of long discussions with Mr. Kellogg himself.

MUST WE GO TO WAR? By Kirby Page. New York: Farrar, 1937, 278 p. $1.00.

An advocate of pacifism and Christian socialism finds much fault with most of current American attitudes toward international affairs. His primary wish is that the United States keep out of war, but the means he suggests, such as a greater effort to meet Germany's and Italy's economic demands, sometimes appear self-contradictory. This book is another instance of the present disorientation of American liberal thought.

THE FINAL CHOICE. By Stephen and Joan Raushenbush. New York: Day, 1937, 331 p. $2.50.

This is one of the better expositions of the problem of peace and war to come from liberals. The authors had a part in preparing the Senate munitions investigation and are therefore well informed. They make it quite plain that no war — even one on behalf of democracy — can be fought by the United States save at the cost of placing the country under a military dictatorship that might be very difficult to get rid of after the war was over. On the other hand, their alternatives do not always recommend themselves as realistic.

WAR MADNESS. By Stephen and Joan Raushenbush. Washington: National Home Library Foundation, 1937, 190 p. 25 cents.

On the whole a sensible little book embodying much that was learned in the munitions investigation.

AMERICA GROPES FOR PEACE. By Harold B. Hinton. Richmond: Johnson, 1937, 214 p. $2.00.

An American newspaperman assesses his country's foreign policies.

THE POWERS OF THE PRESIDENT: PROBLEMS OF AMERICAN DEMOCRACY. By W. E. Binkley. Garden City: Doubleday, 1937, 332 p. $2.50.

The influence of the Executive, from Washington to the second Roosevelt.

ROOSEVELT — AND THEN? By Stanley High. New York: Harper, 1937, 326 p. $3.00.

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An intimate picture of the President by one of his former advisers, who is apprehensive of the future to which the New Deal is leading.

NEW DEAL: IL NUOVO ORDINE ECONOMICO DI F. D. ROOSEVELT. By Eraldo Fossati. Padua: C. E. D. A. M., 1937, 296 p. L. 34.

A description of President Roosevelt's policies and an interpretation of the influence which the Italian corporative experience had in their formation.

L'ESPERIMENTO ROOSEVELT E IL MOVIMENTO SOCIALE NEGLI STATI UNITI D'AMERICA. By Mariano Pierro. Milan: Mondadori, 1937, 631 p. L. 30.

The social and economic implications of the New Deal exhaustively explored by a professor in the University of Rome.

IS AMERICAN RADIO DEMOCRATIC? By S. E. Frost, Jr. Chicago: University of Chicago Press, 1937, 234 p. $2.50.

A painstaking examination of the place of radio in our democratic society. The problem is approached from the points of view of the government, the broadcasting company, the advertiser, the educator and the listening public.

OUR RACIAL AND NATIONAL MINORITIES: THEIR HISTORY, CONTRIBUTIONS, AND PRESENT PROBLEMS. Edited by Francis J. Brown and Joseph Slabey Roucek. New York: Prentice-Hall, 1937, 877 p. $5.00.

Compact information on the place won in American life by our "minority peoples," including not only immigrants but the Negroes and Indians.

UM DIE EINIGUNG DES DEUTSCHAMERIKANERTUMS: DIE GESCHICHTE EINER UNVOLLENDETEN VOLKSGRUPPE. By Heinz Kloss. Berlin: Volk und Reich, 1937, 328 p. M. 4.50.

A history (to 1932) of the German societies in the United States and of the attempts that have been made by religious and secular organizations to unite German-Americans, efforts which were shipwrecked on the rocks of religious and political differences.

Western Europe

EUROPE TODAY. By Sherwood Eddy. New York: Farrar, 1937, 179 p. $1.50.

A summary of present European political and social conditions.

LA RÉVOLUTION À REFAIRE. VOLUME II. LA PROFESSION PARLEMENTAIRE. By André Tardieu. Paris: Flammarion, 1937, 362 p. Fr. 18.

The former Prime Minister of France has embarked on the task of reforming French political life. To this end he is *inter alia* writing a series of five provocative books. This is the second. He is harshly critical of the French parliamentary system though he avoids openly proposing Fascist remedies.

THE ECONOMIC POLICY OF FRANCE. By George Peel. New York: Macmillan, 1937, 242 p. $2.50.

France's postwar policies critically examined by a British financial expert.

THE FRENCH WAR MACHINE. By Shelby Cullom Davis. London: Allen and Unwin, 1937, 221 p. 8/6.

The development of French defense since the World War viewed not only in its military but its political and psychological aspects.

FILS DU PEUPLE. By Maurice Thorez. Paris: Éditions Sociales Internationales, 1937, 219 p. Fr. 10.

The leader of the French Communists recounts his career and outlines the policy of his party within the Popular Front.

LA RÉFORME DE L'ÉTAT. Brussels: Centre d'Études pour la Réforme de l'État, 1937, 649 p. Fr. 60.

Detailed suggestions on how to strengthen Belgian democracy by timely reforms.

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ELECTRONIC REPRODUCTION PROHIBITED

GUSTAV STRESEMANN: HIS DIARIES, LETTERS, AND PAPERS. Volume II. Edited and Translated by Eric Sutton. New York: Macmillan, 1937, 549 p. $6.50.

This volume covers the years 1925–26, the period of Locarno and of Germany's entry into the League. As its title indicates, the book consists of Stresemann's own words, spoken and written. There is a section devoted to German domestic affairs — political, economic and cultural.

THE KAISER ON TRIAL. By George Sylvester Viereck. New York: Greystone, 1937, 514 p. $3.50.

Ever since the prewar era Viereck has been writing on behalf of German policy. After the war he became the active spokesman of the ex-Kaiser in America. In the present work he presents his own hypothetical version of the ex-Kaiser's trial, which the Treaty of Versailles provided for but which never took place. This leads to a review of William's whole life in which we learn how really tragic a figure he is. This book has little historical value and lacks the humorous touch to make it readable.

DIE GESCHLOSSENE DEUTSCHE VOLKSWIRTSCHAFT: GEOPOLITIK, AUTARKIE, VIERJAHRESPLAN. By Johannes Stoye. Leipzig: Teubner, 1937, 113 p. M. 1.50.

A superficial geopolitical interpretation of Nazi autarchy and the Four-Year Plan.

DER MYTHUS HITLER. By Edgar Alexander. Zurich: Europa, 1937, 139 p.

A Catholic attack on the Third Reich, one of the first of its kind.

DER ZUSAMMENBRUCH DES ZWEITEN REICHES: SEINE POLITISCHEN UND MILITÄRISCHEN LEHREN. By Ludwig Gessner. Munich: Beck, 1937, 248 p. M. 4.50.

A typical example of history rewritten for Nazi ends.

WIR RUFEN EUROPA: DIE ANTIBOLSCHEWISTISCHE FRONT — DIE RETTUNG DES ABENDLANDES. By Rudolf Lengauer. Munich: Bruckmann, 1937, 204 p. M. 3.80.

The usual Nazi slogans repeated to show that Bolshevism is the enemy from which Germany is going to save the world.

DIE SOZIALEN UND WIRTSCHAFTLICHEN BEZIEHUNGEN ZWISCHEN ELSASS-LOTHRINGEN UND DEM SAARGEBIET, 1920–1935. By Bruno Rauecker. Heidelberg: Vowinckel, 1937, 174 p.

A technical and statistical study by an expert on labor legislation.

ÖSTERREICH: ZERFALL UND WERDEN EINES STAATES. By Walter Schneefuss. Leipzig: Goldmann, 1937, 171 p. M. 2.85.

The dismemberment of Austria lucidly recounted.

"WER IST WER." New York: Westermann, 1937, 419 p. $7.50.

The new Austrian "Who's Who" containing 1,500 biographical sketches.

THE NORTHERN COUNTRIES IN WORLD ECONOMY. By the Delegations for the Promotion of Economic Coöperation between the Northern Countries. Helsingfors: The Authors, 1937, 240 p.

The economic resources, activities and interrelationships of Denmark, Finland, Iceland, Norway and Sweden. Numerous graphs and tables.

DENMARK IN HISTORY. By J. H. S. Birch. London: Murray, 1938, 444 p. 15/.

The cultural and political development of the Danish people.

NORWAY AND THE NOBEL PEACE PRIZE. By Oscar J. Falnes. New York: Columbia University Press, 1938, 332 p. $3.50.

A history of the award from its conception to the present.

ICELAND: A LAND OF CONTRASTS. By Hjalmar Lindroth. New York: American Scandinavian Foundation, 1937, 234 p. $3.50.

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The culture, social and political organization, and economic life of one of the world's most civilized and democratic peoples.

GUIDE POLITIQUE SUISSE. By Georges Sauser-Hall. Lausanne: Payot, 1937, 238 p. Fr. 22.

A well-organized manual on the structure and functioning of Swiss government.

DIE DYNAMIK DER SCHWEIZERISCHEN DEMOKRATIE. By Herman Bunsen. Breslau: Marcus, 1937, 138 p. M. 7.20.

How Swiss democracy operates.

THE PLOUGH AND THE SWORD: LABOR, LAND, AND PROPERTY IN FASCIST ITALY. By Carl T. Schmidt. New York: Columbia University Press, 1938, 197 p. $2.50.

Though the author shows an amazing knowledge of the literature on his subject, many of his facts and interpretations are open to serious question.

ITALIEN IN DER WELT. By Anton Zischka. Leipzig: Goldmann, 1937, 331 p. M. 6.

The achievements of Fascism at home and abroad favorably interpreted.

NOI EBREI. By Abramo Levi. Rome: Pinciana, 1937, 241 p. L. 12.

Numerous periodical and newspaper articles in reply to Paolo Orano's "Gli Ebrei in Italia," reviewed in the October 1937 issue.

LA QUESTIONE PETROLIFERA ITALIANA. By Cesare Alimenti. Turin: Einaudi, 1937, 279 p. L. 15.

A thorough investigation into the vital problem of Italy's oil supply.

LA POLITICA RELIGIOSA DI MUSSOLINI. By Rino Longhitano. Rome: Cremonese, 1937, 303 p. L. 16.

The Lateran Pacts: their background and their results.

THE PAPACY AND FASCISM. By F. A. Ridley. London: Secker, 1937, 264 p. 6/.

Papal policy interpreted in terms of the class struggle.

DIE LATERANVERTRAGE VOM 11 FEBRUAR 1929 IM STROM DER ITALIENISCHEN GESCHICHTE. By Felix Andreas Holldack. Frankfurt am Main: Klostermann, 1937, 230 p. M. 7.50.

An involved historical and theological treatise.

CONFLICT IN SPAIN, 1920–1937: A DOCUMENTED RECORD. By G. M. Godden. London: Burns, Oates, 1937, 112 p. 1/6.

Communist activities interpreted as the background for Franco's revolt.

CORRESPONDENT IN SPAIN. By H. Edward Knoblaugh. New York: Sheed, 1937, 233 p. $2.50.

An Associated Press correspondent paints an unflattering picture of Loyalist Madrid.

RED SPANISH NOTEBOOK. By Mary Low and Juan Breá. London: Secker, 1937, 256 p. 5/.

The adventures of two Trotskyites during the first half-year of the civil war.

DAS ROTBUCH ÜBER SPANIEN. Berlin: Nibelungen-Verlag, 1937, 317 p. M. 1.90.

An hysterical Nazi imitation of the Communists' Brown Book on the Reichstag fire, published for the Anti-Komintern, full of bloodcurdling photographs and documents.

DER KAMPF UM MADRID. By Hans Heusser. Berne: Francke, 1937, 137 p. M. 2.30.

The first year of the civil war as seen by a Swiss journalist in Madrid.

THE MARCH OF A NATION: MY YEAR OF SPAIN'S CIVIL WAR. By Harold G. Cardozo. New York: McBride, 1937, 316 p. $2.75.

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The correspondent of the London *Daily Mail* with the Rebels, for whose cause he is outspokenly partisan, chronicles the civil war from its beginning until the fall of Bilbao.

SPANISH REHEARSAL. By Arnold Lunn. New York: Sheed, 1937, 254 p. $2.50.
This book, in no way a contribution to our knowledge, is merely clever dialectic in defense of Franco and his cause.

IL GENERALISSIMO FRANCO. By Joaquín Arrarás. Milan: Bompiani, 1937, 340 p. L. 14.
A sympathetic account of Franco which dwells on his early career.

LE DRAME D'UN PEUPLE INCOMPRIS. LA GUERRE AU PAYS BASQUE. By Victor Montserrat. Paris: Peyre, 1937, 121 p. Fr. 10.
A French journalist found the Basques neither Communists nor atheists but good democrats and good Catholics.

PORTUGALIYA I EE ROL V FASHISTSKOI INTERVENTSII V ISPANII. By Y. Aksanov. Moscow: Sotsekgiz, 1937, 118 p. 15 cents.
A popular Soviet account of Portugal's rôle in the Spanish civil war.

Eastern Europe

RUSSIA TWENTY YEARS AFTER. By Victor Serge. New York: Hillman-Curl, 1937, 298 p. $2.50.
The author, for a number of years a leader in the Communist International, was after Stalin's accession to power subjected to various forms of persecution. He was finally allowed to leave Russia in 1936. His book is an indictment of the Stalin dictatorship.

OUR COUNTRY. Edited by A. Stetsky, S. Ingulov and N. Baransky. Moscow: Coöperative Publishing Society of Foreign Workers in the U. S. S. R., 1937, 79 p.
Soviet praise of Soviet achievements for Soviet consumption.

20 YEARS OF SOVIET POWER. Compiled under the auspices of the Communist Central Academy. Moscow: Partizdat, 1937, 110 p.
Useful statistics with comments.

VNESHNYAYA TORGOVLYA S. S. S. R. By I. S. Ginzburg. Moscow: Sotsekgiz, 1937, 160 p. 50 cents.
A brief analysis and forecast of Soviet foreign trade.

SCENES FROM SOVIET LIFE. By W. P. and Zelda K. Coates. New York: International Publishers, 1937, 295 p. $1.25.
A picture of all phases of life in the U. S. S. R. based on the authors' observations during an extensive trip in 1935.

BOLSCHEWISTISCHE SOZIALPOLITIK: ZWISCHEN KOLLEKTIVISMUS UND INDIVIDUALISMUS (1933–1935). By Ernst Hartwig. Berlin: Nibelungen-Verlag, 1937, 117 p. M. 2.80.
A Nazi inventory of the failures of the Five-Year Plan.

DIE KLASSENKAMPFPOLITIK DER SOWJETREGIERUNG. By Hermann Greife. Berlin: Nibelungen-Verlag, 1937, 276 p. M. 10.
Marxist Bolshevism is explained as a phenomenon of Jewish world imperialism.

VÝSTAVBA NÁRODNOSTNÍ KULTURY V SSSR. By Leopold Silberstein. Prague: Orbis, 1937, 221 p. Kč. 35.
An objective survey of the nationalistic structure of Russia, based largely on inaccessible material.

RECHI I STATYI. By S. M. Kirov. Edited by F. Kon. Moscow: Sotsekgiz, 1937, 195 p. 20 cents.
Speeches by Stalin's late right-hand man.

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V BORBE ZA YEDINYI FRONT PROTIV FASHIZMA I VOINY: STATYI I RECHI (1935–1937). By G. Dimitrov. Moscow: Partizdat, 1937, 172 p. 35 cents.

Recent speeches and articles by the Secretary of the Communist International.

UN MINEUR FRANÇAIS CHEZ LES RUSSES. By Kléber Legay. Paris: Tisné, 1937, 123 p. Fr. 4.

A French miners' union official returns disillusioned from the workers' paradise.

AGRARNY VOPROS I KRESTYANSKOYE DVIZHENIE: SPRAVOCHNIK. T. II. POLSHA, LITVA, ESTONIYA, FINLYANDIYA, GRETSIYA, BOLGARIYA, RUMYNIYA, YUGOSLAVIYA. Edited by M. P. Gorov. Moscow: Mezhdunarodny Agrarny Institut, 1937, 198 p. $1.75.

This second volume of an authoritative reference series covers Eastern and Southeastern Europe.

OVER THE NORTH POLE. By George Baidukov. New York: Harcourt, 1938, 99 p. $1.50.

The first Soviet transpolar flight to America recounted by one of its participants.

FINLANDIA E STATI BALTICI. By Elio Migliorini. Rome: Istituto per l'Europa Orientale, 1937, 222 p. L. 20.

The countries' economic and social structure described by an Italian geographer.

GERMANY AND CZECHOSLOVAKIA. Prague: Orbis, 1937, 2 v.

The Czech case stated by "an active and responsible statesman."

MASARYK V REVOLUCI. By Vojta Beneš. Prague: Československá Grafická Unie, 1937, 126 p. Kc. 20.

A survey of Masaryk's revolutionary career by one of his co-workers in America.

EDUARD BENEŠ: FILOSOF A STÁTNIK. Prague: Mazac, 1937, 358 p. Kč. 85.

A substantial coöperative study of Beneš' philosophy and statesmanship.

DIE TSCHECHEN: TAUSEND JAHRE DEUTSCH-TSCHECHISCHER KAMPF. By Rudolf Jung. Berlin: Volk und Reich, 1937, 246 p. M. 4.80.

A rather spiteful picture of the Czech nation, its leaders and its policy towards the Germans, by a former Nazi deputy in the Czechoslovak Parliament, now in Germany.

WIR SUDETENDEUTSCHE! By Hans Krebs and Emil Lehmann. Berlin: Runge, 1937, 168 p. M. 3.20.

A popular history of the Sudeten Germans by two of their former leaders.

IHR KAMPF: DIE WAHREN ZIELE DER SUDETEN DEUTSCHEN PARTEI. By Josef Fischer, Václav Patzak, Vincenc Perth. Karlsbad: Graphia, 1937, 140 p.

The origins and real aims of Henlein's party set forth by German Social Democrats.

HUNGARY AND HER SUCCESSORS: THE TREATY OF TRIANON AND ITS CONSEQUENCES, 1919–1937. By C. A. Macartney. New York: Oxford University Press, 1937, 504 p. $8.50.

A thorough piece of scholarship, based on both research and field work. Mr. Macartney describes the historical development of the Hungarian minority problem since the World War in Austria, Czechoslovakia, Rumania and Jugoslavia.

MAĎAŘI VE VÁLCE A PO VÁLCE. By Josef Teichman. Prague: Melantrich, 1937, 434 p. Kč. 65.

A factual analysis of Hungarian politics since the World War.

BULGARIYA V SVETOVNATA VOINA. 1915–1918. By Alexander Ganchev. Sofia, 1937, 191 p. Leva 70.

A history of Bulgaria's part in the war by a writer on military subjects.

KING ZOG'S ALBANIA. By J. Swire. New York: Liveright, 1937, 302 p. $3.00.

The land, the people, their recent history and present economic and political condition, described by one who knows the country well.

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The British Commonwealth of Nations

THE DEFENCE OF THE EMPIRE. By Sir Norman Angell. New York: Appleton-Century, 1937, 245 p. $2.00.

Sir Norman explains the puzzling ups and downs of British policy during recent years in terms of the emphasis placed by the governing class on its own fears and prejudices, particularly those regarding Soviet Russia. This accounts for its complacency at Japanese, Italian and German aggression, even when British imperial interests are jeopardized. According to Angell, the security of the British Empire is identical with generalized collective security, for which he therefore pleads.

BRITAIN IN DANGER: AN EXAMINATION OF OUR NEW NAVY. By Captain Bernard Acworth. London: Eyre, 1937, 288 p. 8/6.

Captain Acworth holds that the navy which Britain is building at such expense is not fitted for the purposes it must serve, due to faulty design, to insufficient numbers of ships and to dependence on foreign sources of fuel. He gives constructive suggestions for remedying these defects.

I SPEAK OF GERMANY: A PLEA FOR ANGLO-GERMAN FRIENDSHIP. By Norman Hillson. London: Routledge, 1937, 311 p. 10/6.

Germany is a Great Power again and it behooves Britain to be on her side.

THE BRITISH CIVIL SERVICE. By Herman Finer. London: Allen and Unwin, 1937, 254 p. 5/.

A Socialist scholar re-analyzes the status and function of the public administration in Britain. He does not find any imminent danger of bureaucratic despotism.

ROYAL COMMISSIONS OF INQUIRY. By Hugh McDowall Clokie and J. William Robinson. Stanford: Stanford University Press, 1937, 242 p. $3.00.

The place of the Royal Commission of Inquiry in the English political scheme.

GREAT CONTEMPORARIES. By Winston S. Churchill. New York: Putnam, 1937, 299 p. $4.00.

Entertaining sketches of twenty-one political and military celebrities, mostly British.

HALDANE, 1856–1915. By Major-General Sir Frederick Maurice. London: Faber, 1937, 394 p. 18/.

This is the first volume of the authorized biography of the man who, as Minister of War from 1905 to 1912, was responsible for the reorganization of the British Army. There is a chapter on Haldane's unsuccessful mission to Germany in 1912, including his diary of that episode.

IMPERIUM BRITANNICUM: VOM INSELSTAAT ZUM WELTREICH. By Otto Graf. Leipzig: Goldmann, 1937, 325 p. M. 7.50.

The rise of the British Empire, unsympathetically narrated.

THE DEVELOPMENT OF DOMINION STATUS, 1900–1936. By Robert MacGregor Dawson. New York: Oxford University Press, 1937, 466 p. $5.00.

An important contribution to the history of the British Commonwealth by an Associate Professor of Political Science in the University of Toronto. Three-fourths of the book consists of documents.

THE KING, THE CONSTITUTION, THE EMPIRE AND FOREIGN AFFAIRS: LETTERS AND ESSAYS, 1936–7. By A. Berriedale Keith. New York: Oxford University Press, 1938, 194 p. $3.00.

The latest letters and essays by the well-known authority on imperial affairs.

CONSTITUTIONAL LAWS OF THE BRITISH EMPIRE. By W. Ivor Jennings and C. M. Young. New York: Oxford University Press, 1938, 364 p. $6.00.

Typical constitutional cases for the empire and the dominions.

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DE RECHTSBETREKKINGEN DER LEDEN VAN HET BRITISCHE GEMEENEBEST ONDERLING EN IN HET VOLKENRECHT. By A. Tammes. Purmerend: Muusses, 1937, 152 p.

A treatise on the juridical problems of the British Commonwealth of Nations.

THE IRISH REPUBLIC. By Dorothy Macardle. London: Gollancz, 1937, 1071 p. 25/.

A copiously documented history of Ireland from 1916 to 1923.

WORLD CURRENTS AND CANADA'S COURSE. Edited by Violet Anderson. New York: Nelson, 1937, 152 p. $1.00.

Lectures delivered at the Canadian Institute on Economics and Politics in August 1936 by numerous authorities, both Canadian and non-Canadian.

INDIA: A SHORT CULTURAL HISTORY. By H. G. Rawlinson. New York: Appleton-Century, 1938, 452 p. $7.50.

A well-balanced and admirably illustrated synthesis.

THE WHITE SAHIBS IN INDIA. By Reginald Reynolds. New York: Day, 1937, 410 p. $3.50.

A well-documented exposé of the iniquities of British imperialism, the remedy for which, according to the author, is Socialism.

ORGANISATION AND FINANCE OF INDUSTRIES IN INDIA. By D. R. Samant and M. A. Mulky. New York: Longmans, 1937, 302 p. $3.75.

How industrial capitalism operates in India.

DEUTSCHLAND UND DIE INDISCHE WIRTSCHAFT. By Sudhir Sen. Stuttgart: Enke, 1937, 103 p. M. 5.

Indian mistrust of Britain gives Germany a good opportunity to cultivate India as a market and as a political friend.

DIE SICHERHEIT INDIENS: EIN JAHRHUNDERT ENGLISCHER WELTPOLITIK. By Hermann Oncken. Berlin: Grote, 1937, 181 p. M. 4.80.

A distinctly worth-while synthesis of Britain's struggle during the last century to insure the security of her route to India. The author, until recently a professor at Heidelberg, is a well-known German historian.

The Near East

THE MEMOIRS OF SIR RONALD STORRS. New York: Putnam, 1937, 563 p. $5.00.

One of the most valuable books on the Near East to be published in recent years. Storrs was Oriental Secretary in Cairo before the war, later helped organize the Arabian campaign in which Lawrence won fame, was Civil Governor of Jerusalem from 1918 to 1926 and Governor of Cyprus for the following six years. These memoirs, aside from their great historical worth, have high literary merits. Above all, they serve admirably to demonstrate once again how much the British Empire owes its power and prestige to men whose chief qualities are good will, common sense and a sound classical education.

THE PROCESS OF CHANGE IN THE OTTOMAN EMPIRE. By Wilbur W. White. Chicago: University of Chicago Press, 1937, 315 p. $3.50.

A juridico-historical treatise on the gradual process whereby the subject nations gradually broke away from Turkish suzerainty.

DER NEUE ORIENT. By Dr. Alfred Bonne. Jerusalem, 1937, 89 p.

A brief summary of the economic development of the Middle East by the head of the Economic Research Department of the Jewish Agency at Jerusalem.

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JEWISH STATE OR GHETTO: DANGER OF PALESTINE PARTITION. By J. M. Machover. London: Anscombe, 1937, 208 p. 3/6.

A Zionist opposes partition as a betrayal of the Zionist ideal.

THE FUTURE OF PALESTINE. By Herman L. Weisman. New York: American Economic Committee for Palestine, 1937, 138 p. Gratis.

A reasoned plea against partition and in favor of carrying out the present mandate within a unitary state comprising both Palestine and Trans Jordan.

BRITAIN AND PALESTINE IN PROPHECY. By James McWhirter. London: Methuen, 1937, 185 p. 5/.

An attempt to apply Biblical prophecies to current events.

SEFER MEORAOTH. Edited by Davar Editorial Board. Tel Aviv: Davar Publishing House, 1937, 695 p.

A comprehensive, documented history of the 1936 Arab rebellion in Palestine.

DIE JÜDISCHE ARBEITERBEWEGUNG IN PALAESTINA. By W. Preuss. Vienna: Fila Verlag, 1937, 328 p.

The history and achievements of the Jewish Labor movement in Palestine.

'IRAQ. By Philip Willard Ireland. London: Cape, 1937, 510 p. 15/.

A thorough and scholarly history of the origins of 'Iraq nationalism and of the creation of the 'Iraqi state.

BAGHDAD SKETCHES. By Freya Stark. New York: Dutton, 1938, 268 p. $3.50.

The explorer of Southern Arabia turns her attention to modern 'Iraq.

L'IRAN DI REZÀ SCIÀ PAHLAVI. By Angelo Polacco. Venice: Zanetti, 1937, 152 p. L. 15.

The recent history and present rapid development of Iran, with special attention to Italian influence.

L'AFGHANISTAN. By René Dollot. Paris: Payot, 1937, 318 p. Fr. 40.

The history, geography and culture of Afghanistan described by a former French Minister to that country. There is a useful bibliography.

FORBIDDEN ROAD — KABUL TO SAMARKAND. By Rosita Forbes. New York: Dutton, 1937, 289 p. $3.50.

A famous English traveller penetrates to Afghanistan and Soviet Turkistan to find a fascinating panorama of change in an ancient land.

Africa

AFRICA AND CHRISTIANITY. By Diedrich Westermann. New York: Oxford University Press, 1937, 221 p. $2.25.

An exposition of Christianity's impact on native beliefs and institutions, by the Director of the International Institute of African Languages and Cultures.

MOROCCO AS A FRENCH ECONOMIC VENTURE. By Melvin M. Knight. New York: Appleton-Century, 1937, 244 p. $2.25.

The effect of a quarter century of French political protection combined with the economic Open Door examined on the spot by a Professor of Economics at the University of California.

THREE DESERTS. By C. S. Jarvis. New York: Dutton, 1937, 313 p. $3.00.

The entertaining and informative memoirs of a British official who served in the Anglo-Egyptian Frontier Administration for 18 years.

ÄGYPTENS WEG ZUR FREIHEIT. By Paul Schmitz-Kairo. Leipzig: Goldmann, 1937, 117 p. M. 1.80.

A summary of Egyptian history since Napoleon I, with emphasis on recent events.

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TWO WARS AND MORE TO COME. By Herbert L. Matthews. New York: Carrick and Evans, 1938, 318 p. $2.50.

Mr. Matthews, correspondent of the *New York Times*, reported the Ethiopian war from the Italian side down to the occupation of Addis Ababa. At present he is following the Spanish civil war for the Loyalist side. He strongly sympathized with the Italians in the first of these wars, in which he was given an Italian decoration for bravery, and he believes that Fascism has been of much benefit to Italy. Yet he is now convinced that in Spain the Loyalist cause is "infinitely more worthy than that of their Fascist opponents." This sympathy does not detract from the excellence of Matthews's reporting, which is eminently fair in spirit as well as keen in its understanding of military tactics. This is one of the few really good books on either the Ethiopian or Spanish wars.

ETIOPIA E GENTI DI ETIOPIA. By Carlo Conti Rossini. Florence: Bemporad, 1937, 402 p. L. 18.

An excellent, well-written compendium on the geography, history, races, cultures and languages of Italian East Africa by the foremost authority on Ethiopian history.

ITALY'S CONQUEST OF ABYSSINIA. By Major E. W. Polson Newman. London: Thornton Butterworth, 1937, 316 p. 12/6.

A chronological commentary on the war based almost wholly on Italian official sources. The tone of the book is pro-Italian and anti-Abyssinian.

CON LE ARMATE DEL NEGUS. By Colonel T. Konovaloff. Bologna: Zanichelli, 1938, 218 p. L. 15.

The illuminating memoirs of a former Tsarist colonel who during the recent war acted as military adviser to the Ethiopian forces in the north.

BRITISH POLICY IN KENYA COLONY. By Marjorie Ruth Dilley. New York: Nelson, 1937, 296 p. $3.00.

A scholarly treatment of one of Britain's most difficult colonial problems.

LE CAMEROUN. By Henri Labouret. Paris: Hartmann, 1937, 259 p. Fr. 20.

An inventory of the colony's geography, social and political institutions, and present economic development, by the Director of the Institut International des Langues et Civilisations Africaines.

LES CONCESSIONS FONCIÈRES EN AFRIQUE OCCIDENTALE FRANÇAISE ET ÉQUATORIALE. By Robert Lenoir. Paris: Librairie Technique et Économique, 1937, 156 p. Fr. 25.

A complicated colonial problem elucidated by a French official.

The Far East

PROBLEMS OF THE PACIFIC, 1936. Edited by W. L. Holland and Kate L. Mitchell. Chicago: University of Chicago Press, 1938, 470 p. $5.00.

The proceedings of the Sixth Conference of the Institute of Pacific Relations, held at Yosemite National Park in August 1936. There are 200 pages summarizing the discussions on the "Aims and results of social and economic policies in Pacific countries." The remainder of the book consists of documents and appendices.

THE LEGAL STATUS OF ALIENS IN PACIFIC COUNTRIES. Edited by Norman MacKenzie. New York: Oxford University Press, 1937, 374 p. $7.00.

"An international survey of law and practice concerning immigration, naturalization and deportation of aliens and their legal rights and disabilities," prepared for the Institute of Pacific Relations by various contributors.

GEOPOLITIK DES PAZIFISCHEN OZEANS. By Karl Haushofer. Heidelberg: Vowinckel, 1938, 338 p. M. 15.

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ELECTRONIC REPRODUCTION PROHIBITED

The high priest of geopolitics applies his method to the countries — Asiatic, Australian and American — that border the Pacific. The result is a mélange of geography, history, economics, political science, anthropology and Nazi Weltanschauung. Numerous maps and sketches.

THE PROBLEM OF PEACEFUL CHANGE IN THE PACIFIC AREA. By Henry F. Angus. New York: Oxford University Press, 1937, 193 p. $2.00.

An evaluation of the bearing of the research work of the Institute of Pacific Relations on the general question of peaceful change.

EDUCATION IN PACIFIC COUNTRIES. By Felix M. Keesing. Honolulu: University of Hawaii, 1937, 226 p. $1.50.

Useful information on the conflict and coalescence of cultures: European, Asiatic and Malaysian.

CHINA: A SHORT CULTURAL HISTORY. By C. P. Fitzgerald. New York: Appleton-Century, 1938, 615 p. $7.50.

An admirable synthesis of the world's oldest living civilization.

RETREAT OF THE WEST. By No-Yong Park. Boston: Hale, 1937, 336 p. $3.00.

An American-educated Chinese scholar interprets recent Far Eastern history in the light of the prestige and power lost by the Western nations.

RED STAR OVER CHINA. By Edgar Snow. New York: Random House, 1938, 474 p. $3.00.

This important and interestingly written book gives the history of the Communist movement in China and of its influence in inducing the Chinese to resist Japan. The author is the only journalist to visit the Communist area in Northwest China and to return to tell the tale. His story is a superb piece of reporting, done with meticulous care. It is a distinct contribution to the history of contemporary China.

FIRST ACT IN CHINA. By James M. Bertram. New York: Viking, 1938, 284 p. $3.00.

A young New Zealand journalist's account of the Sian mutiny and the captivity of Chiang Kai-shek.

I SPEAK FOR THE CHINESE. By Carl Crow. New York: Harper, 1937, 84 p. $1.00.

A warning that Japan's bid for power must not be taken lightly by third nations.

FORBIDDEN JOURNEY. By Ella K. Maillart. New York: Holt, 1937, 306 p. $3.00.

The exciting trek by a young Swiss woman from Peiping to Sinkiang.

OKKUPATSIYA MANCHZHURII I BORBA KITAISKOGO NARODA. Edited by G. Vortinsky. Moscow: Sotsekgiz, 1937, 148 p. 20 cents.

A Soviet study on the status of the Chinese in Manchukuo.

JAPAN DEFIES THE WORLD. By James A. B. Scherer. Indianapolis: Bobbs-Merrill, 1938, 311 p. $2.50.

This book purports to be the inside story of who really rules Japan. The author, formerly President of the California Institute of Technology and for several years resident in Japan, tells us that the Mikado is only a figurehead, that the country is in reality ruled by a Fascist dictatorship headed by General Jiro Minami. Readers may find Dr. Scherer's evidence rather scanty.

THE PHILIPPINES: A NATION IN THE MAKING. By Felix M. Keesing. New York: Institute of Pacific Relations with the University of Hawaii, 1937, 137 p. $2.00.

A popular précis of Philippine history and current problems.

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FRENCH INDO-CHINA. By Virginia Thompson. New York: Macmillan, 1937, 517 p. $5.00.

This is the first adequate book on France's oriental empire to appear in English. The author, a young American scholar, has made a remarkable synthesis of Indo-Chinese culture, history, economics and administration.

DARK ISLANDS. By John W. Vandercook. New York: Harper, 1937, 367 p. $3.50.

Pleasant descriptions of Fiji, New Guinea and the Solomon Islands.

Latin America

THE REPUBLICS OF SOUTH AMERICA. New York: Oxford University Press, 1937, 374 p. $8.50.

There are so many superficial books on South America — usually written by casual travellers or by journalists with hobbies to ride — that it is a pleasure to recommend this really sound work, the product of a study group at Chatham House under the chairmanship of Philip Guedalla. The volume deals with the continent's geography, population, politics, history, economic and social development, religious and cultural problems, and its international relations. There is an appendix and several maps.

AMERICA SOUTH. By Carleton Beals. Philadelphia: Lippincott, 1937, 559 p. $3.50.

Mr. Beals' interpretations of Latin American political, social and economic life are invariably original and arresting. This is the case with the present work, which covers all of America south of the Rio Grande.

A HISTORY OF LATIN AMERICA. By David R. Moore. New York: Prentice-Hall, 1938, 826 p. $5.00.

A conventional survey by a professor in Oberlin College.

SOUTH AMERICAN DICTATORS. By A. Curtis Wilgus. Washington: George Washington University Press, 1937, 502 p. $3.00.

Historical essays on a score of autocrats.

SURVOL DES AMÉRIQUES. By Pierre Lyautey. Paris: Plon, 1937, 235 p. Fr. 15.

A Frenchman reports on his air trip around South America, with *obiter dicta* on the relations between Latin America and the United States.

BRAZIL, 1937. Rio de Janeiro: Ministry of Foreign Affairs, 1937, 398 p.

Useful information and statistics about our largest Latin American neighbor.

UTOPIA IN URUGUAY. By Simon G. Hanson. New York: Oxford University Press, 1938, 262 p. $3.50.

A description of the little known but advanced state of socialization that has been reached in Uruguay's economic life.

A HISTORY OF ARGENTINA. By Ricardo Levene. Chapel Hill: University of North Carolina Press, 1937, 565 p. $4.00.

This is the first volume in a projected "The Inter-American Historical Series" being edited by James A. Robertson. It covers Argentine history from the Spanish conquest to 1933. The author is a professor in the University of La Plata.

DE PANAMA À VERDUN. By Philippe Bunau-Varilla. Paris: Plon, 1937, 391 p. Fr. 20.

"Candid" reminiscences of the French-Panamanian engineer-diplomat. The first part concerns the French phase in the construction of the Panama Canal.

THESE ARE THE VIRGIN ISLANDS. By Hamilton Cochran. New York: Prentice-Hall, 1937, 236 p. $3.00.

One of our Caribbean colonies entertainingly described.

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ARMAMENT

ARMAMENTS year-book. General and statistical information. Afghanistan — Albania — Sa'udi Arabia — Argentine — Australia — Austria — Belgium — Bolivia — Brazil — United Kingdom of Great Britain and Northern Ireland (including British Colonies, Protectorates and Mandated Territories and Newfoundland) — Bulgaria — Canada — Chile — China — Colombia — Costa Rica — Cuba — Czechoslovakia — Denmark — Dominican Republican — Ecuador — Egypt — Estonia — Finland — France — Germany — Greece — Guatemala — Haiti — Honduras — Hungary — India — Iran — Iraq — Irish Free State — Italy — Japan — Latvia — Liberia — Lithuania — Luxemburg — Mexico — Netherlands — New Zealand — Nicaragua — Norway — Portugal — Roumania — Salvador — Siam — Spain — Sweden — Switzerland — Turkey — Union of South Africa — Union of Soviet Socialist Republics — United States of America — Uruguay — Venezuela — Yugoslavia (Kingdom of). Geneva, 1937. 1113 p. incl. maps. 24 cm. (League of Nations, C.290.M.191.1937.IX.3.)

LIMITATION of Naval Armament. Treaty between the United States of America and other Powers. Signed at London, March 25, 1936. Together with protocol of signature and additional protocol. Washington, 1937. 42 p. 23 cm. (Treaty Series No. 919.) 10 c.

STATISTICAL Year-Book of the Trade in Arms and Ammunition. Geneva, 1937. 338 p. 33 cm. (League of Nations, C.291.M.192.1937.IX.4.)

CHINA AND JAPAN

SINO-JAPANESE conflict. Appeal by the Chinese Government. . . . Geneva, 1937. 59 p. 33 cm. (League of Nations, Official Journal, Special Supplement No. 177.)

Contains minutes of the third session of the Far-East Advisory Committee, the September and October 1937 proceedings of the Council and Assembly and documentation.

COMMERCIAL TREATIES, BRITISH

EXCHANGE of notes between His Majesty's Government in the United Kingdom and the French Government regarding Commercial Relations with Tunis. Paris, October 14, 1937. London, 1937. 8 p. 24½ cm. (Treaty Series No. 54 (1937), Cmd. 5622.) 2d.

EXCHANGE of notes between His Majesty's Government in the United Kingdom and the Polish Government regarding amendments of the Commercial Agreement of February 27, 1935. Warsaw, July 31, 1937, and September 30, 1937. London, 1937. 8 p. 24½ cm. (Treaty Series No. 49 (1937), Cmd. 5599.) 2d.

PROTOCOL regarding Commercial Relations between India and Japan. (With exchange of notes regarding the prolongation of the convention of July 12, 1934.) London, October 12, 1937. London, 1937. 8 p. 24½ cm. (Treaty Series No. 50 (1937,) Cmd. 5600.) 2d.

COURT OF INTERNATIONAL JUSTICE, PERMANENT

THE BORCHGRAVE Case. (Preliminary objections.) Judgment of November 6, 1937. Leyden, 1937. p. 158–175. 24 cm. (Permanent Court of International Justice, Series, A./B., Fasc. No. 72.)

THE DIVERSION of water from the Meuse. Judgment of June 28, 1937. (Series A./B., Fasc. No. 70.) Leyden, 1937. 568 p. maps. 24½ cm. (Permanent Court of International Justice, Series C. Pleadings, oral statements and documents. Judicial Year 1937. No. 81.)

LIGHTHOUSES in Crete and Samos. Judgment of October 8, 1937. Leyden, 1937. p. 94–153. 24 cm. (Permanent Court of International Justice, Series A./B., Fasc. No. 71.)

LIGHTHOUSES in Crete and Samos. Judgment of October 8, 1937. (Series A./B., Fasc. No. 71.) Leyden, 1937. 305 p. 24 cm. (Permanent Court of International Justice, Series C. Pleadings, oral statements and documents. Judicial Year 1937. No. 82.)

THE PAJZS, Csáky, Esterházy Case. Order of May 23, 1936. Judgment of December 16, 1936. (Series A./B., Fasc. Nos. 66 and 68.) Leyden, 1937. p. 397–1472. 24 cm. (Permanent Court of International Justice, Series C. Pleadings, oral statements and documents. Judicial Year 1936. No. 80.)

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THIRTEENTH Annual Report of the Permanent Court of International Justice. (June 15, 1936–June 15, 1937.) Leyden, 1937. 377 p. 24 cm. (Permanent Court of International Justice, Series E., No. 13.)

CUSTOMS TREATMENT

CUSTOMS PRIVILEGES for Educational, Religious, and Philanthropic Institutions in Syria and the Lebanon. Agreement between the United States of America and France. Effected by Exchange of Notes. Signed February 18, 1937. And decree of the French High Commissioner dated March 27, 1937. Washington, 1938. 17 p. 23½ cm. (Executive Agreement Series, No. 107.) 5 c.

EXCHANGE of notes between His Majesty's Government in Canada and the Japanese Government respecting the Customs Treatment of Imports. Ottawa, December 26, 1935. London, 1937. 3 p. 24½ cm. (Treaty Series No. 41 (1937) Cmd. 5577.) 1d.

DOUBLE TAXATION

FISCAL Committee. Report to the Council on the seventh session of the Committee. Held at Geneva from October 11 to 16, 1937. Geneva, 1937. 6 p. 33 cm. (League of Nations, C.490.M.331. 1937.II.A.18.)

Marks a pause in the effort to conclude an international convention and the inauguration of a program of coördinating national practices.

ECONOMIC RELATIONS

ECONOMIC Committee (Forty-sixth session-Report to the Council). Remarks on the Present Phase of International Economic Relations (September 1937). The Carrying-Out of the Programme of the Tripartite Declaration of September 26, 1936. Geneva, 1937. 28 p. 27 cm. (League of Nations, C.358.M.242.1937.II.B.9.)

EGYPTIAN CAPITULATIONS

FINAL ACT, Convention and other Documents regarding the Abolition of the Capitulations in Egypt. Montreux, May 8, 1937. London, 1937. 72 p. 24½ cm. (Treaty Series No. 55 (1937) Cmd. 5630.) 1s. 3d.

EUROPEAN UNION

COMMISSION of Enquiry for European Union. Minutes of the seventh Session of the Commission. Held at Geneva on Friday, October 1, 1937. Geneva, 1937. 4 p. 33 cm. (League of Nations, C.532.M.370.1937.VII.3.)

HISTORY TEACHING

DECLARATION regarding the Teaching of History. (Revision of school textbooks.) (Geneva, October 2, 1937.) Geneva, 1937. 4 p. 33 cm. (League of Nations, C.485.M.326.1937.XII.A.3.)

INDIGENT FOREIGNERS

ASSISTANCE to Indigent Foreigners. Replies of Governments on the questionnaire concerning methods at present applied in different countries in the matter of assistance to indigent foreigners. Geneva, 1937. 23 p. 33 cm. (League of Nations, C.552.M.389.1937.IV.12.)

INTERNATIONAL ORGANIZATIONS

HANDBOOK of International Organisations. (Associations, bureaux, committees, etc.) Geneva, 1938. 491 p. 24 cm. (League of Nations, 1937.XII.B.4.)

The previous English edition was issued in 1929, but the French version of this edition was published in 1936.

INTERNATIONAL POLICY

COMMUNICATION from the Government of the United States of America. Statement in regard to the international situation made on July 16, 1937, by Mr. Cordell Hull, Secretary of State of the United States of America and Comments on that statement from various Governments. Geneva, 1937. 34 p. 33 cm. (League of Nations, Official Journal, Special Supplement No. 179.)

FUNDAMENTAL Principles of International Policy. Statement by the Honorable Cordell Hull, Secretary of State. July 16, 1937. Together with comments of foreign Governments. Washington, 1937. 59 p. 23 cm. (State Department, Pub. No. 1079.) 10 cents.

JUVENILE COURTS

ADVISORY Committee on Social Question. Principles Applicable to the Functioning of Juvenile Courts and Similar Bodies, Auxiliary Services and Institutions. Geneva, 1937. 50 p. incl. annexes. 24½ cm. (League of Nations, C.375.M.252.1937.IV.9.)

LABOR, INTERNATIONAL CONFERENCE

INTERNATIONAL Labour Conference. Draft conventions and recommendations adopted by the conference at its twenty-third session June 3–June 23, 1937. London, 1937. 74 p. 24 cm. (Cmd. 5584.)

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INTERNATIONAL Labour Conference, Twenty-fourth Session. Geneva, 1938. Regulation of contracts of employment of indigenous workers. Second item on the agenda. Geneva, 1937. iv 239 p. 24 cm. (International Labour Office, Report II.)

WORKMEN'S COMPENSATION for Silicosis in the Union of South Africa, Great Britain and Germany. Geneva, 1937. 147 p. 24 cm. (International Labour Office, Studies and Reports, Series F (Industrial Hygiene) No. 16.) $1.00.

THE WORLD Textile Industry. Economic and social problems. Geneva, 1937. 2 vols. 24 cm. (International Labour Office, Studies and Reports, Series B (Social and Economic Conditions) No. 27.) $4.00.

MARITIME BUOYAGE

INTERNATIONAL Agreement for a Uniform System of Maritime Buoyage and Rules Annexed thereto [with diagrams]. Geneva, May 13, 1936. London, 1937. 35 p. diagrams, map. 24½ cm. (Miscellaneous No. 8 (1937) Cmd. 5590.) 1s. 3d.

OPIUM

ADVISORY COMMITTEE on Traffic in Opium and other Dangerous Drugs. Minutes of the twenty-second session. Held at Geneva from May 24 to June 12, 1937. 148 p. 33 cm. (League of Nations, C.315.M.211.1937.XI.6.)

Contains debate on trade in opium by Japanese in China.

ANNUAL Report on the Traffic in Opium and other dangerous Drugs for the Year 1936. Tokyo, 1937. 55 p. 26 cm. (The Japanese Government.)

CONVENTION for limiting the manufacture and regulating the distribution of narcotic drugs of July 13, 1931. Estimated world requirements of dangerous drugs in 1938. Statement issued by the Supervisory Body under Article 5. Geneva, 1937. 59 p. Annex. 33 cm. (League of Nations, C.544.M.381.1937.XI.7.)

PALESTINE AND SYRIA

PERMANENT MANDATES Commission. Minutes of the thirty-third Session. Held at Geneva from November 8 to 19, 1937, including the report of the Commission to the Council. Geneva, 1937. 182 p. 33 cm. (League of Nations, C.551.M.388.1937.VI.A.4.)

POLICY in Palestine. Despatch dated December 23, 1937, from the Secretary of State for the Colonies to the High Commissioner for Palestine. London, 1938. 12 p. 24½ cm. (Cmd. 5634.) 2d.

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REPORT of the Delegation of the United States of America to the Inter-American Conference for the Maintenance of Peace. Buenos Aires, Argentina, December 1–23, 1936. Washington, 1937. vi 280 p. 23½ cm. (Department of State, Publication 1088, Conference Series 33.) 30 c.

TEXTS adopted by the Inter-American conference for the maintenance of peace. (Buenos Aires, December 1 to 23, 1936) and transmitted to the League of Nations in accordance with a decision of the conference. Geneva, 1937. 71 p. 33 cm. (League of Nations, *Official Journal*, Special Supplement, No. 178.)

PAYMENTS, COMMERCIAL

AGREEMENT between His Majesty's Government in Canada and the Government of the German Reich to facilitate payments for the exchange of goods. Ottawa, October 22, 1936. London, 1937. 11 p. 24½ cm. (Treaty Series No. 42 (1937), Cmd. 5580.) 2d.

AGREEMENT between His Majesty's Government in the United Kingdom and the Roumanian Government regarding commercial payments. [With supplementary agreement of December 5, 1936.] Bucharest, May 2, 1936. London, 1937. 7 p. 24½ cm. (Treaty Series No. 45 (1937), Cmd. 5587.) 2d.

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AGREEMENT between His Majesty's Government in the United Kingdom and the Roumanian Government supplementary to the Anglo-Roumanian payments agreement of May 2, 1936. London, May 27, 1937. London, 1937. 7 p. 24½ cm. (Treaty Series No. 46 (1937), Cmd. 5588.) 2d.

EXCHANGE of notes between His Majesty's Government in the United Kingdom and the Roumanian Government modifying the Anglo-Roumanian payments (amendment) agreement of May 27, 1937. London, November 12, 1937. London, 1937. 23 p. 24½ cm. (Treaty Series No. 51 (1937), Cmd. 5613.) 1d.

RAW MATERIALS

ECONOMIC Intelligence Service. International trade in certain raw materials and foodstuffs by countries of origin and consumption, 1936. Geneva, 1937. 164 p. incl. tables. 27 cm. (League of Nations, 1937.II.A.21.)

FINANCIAL Committee. Report to the Council on the work of the sixty-fifth session of the Committee. (Geneva, November 29th–December 4th, 1937.) Geneva, 1937. 13 p. 33 cm. (League of Nations, C.569.M.405.1937.II.A.23.)

SALMON FISHERIES

SOCKEYE SALMON Fisheries. Convention between the United States of America and Canada. Signed at Washington, May 26, 1930. Washington, 1937. 9 p. 2 map. 23 cm. (Treaty Series, No. 918.) 15 c.

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COMMITTEE of Jurists for the Suppression of the Falsification of Securities. Report to the Council on the work of the meeting held in Paris on October 29 and 30, 1937. Geneva, 1937. 3 p. 33 cm. (League of Nations, C.542.M.379.1937.II.A.22.)

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TREATY of Commerce and navigation between His Majesty in respect of the United Kingdom and His Majesty the King of Siam. (With protocol and exchanges of notes.) Bangkok, November 23, 1937. London, 1937. 24 p. 24½ cm. (Siam No. 2 (1937), Cmd. 5608.) 4d.

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CORRESPONDENCE with the Italian Government regarding the withdrawal of foreign volunteers from Spain. October 2–9, 1937. London, 1937. 6 p. 24½ cm. (Spain No. 3 (1937) Cmd. 5570.) 1d.

INTERNATIONAL agreement for collective measures against piratical attacks in the Mediterranean by submarines (with map). Nyon, September 14, 1937. London, 1937. 16 p. 24½ cm. (Treaty Series No. 38 (1937), Cmd. 5568.) 6 d.

THE ITALIAN Invasion of Spain. Official documents and papers seized from Italian units in action at Guadalajara. Presented by the Spanish Government to the League of Nations. Washington, 1937. 319 p. 30 cm. (Spanish White Book.)

STATISTICS

BALANCES OF PAYMENTS 1936. Geneva, 1937. 236 p. 27 cm. (League of Nations, 1937. II.A.16.)

ECONOMIC INTELLIGENCE Service. International trade statistics, 1936. Geneva, 1937. 384 p. 27 cm. (League of Nations, 1937.II.A.17.)

STATISTICAL Year-Book of the League of Nations, 1936/37. Geneva, 1937. 330 p. 24½ cm. (League of Nations, 1937.II.A.7.)

WORLD Economic Review, 1936. Washington, 1937. 2v. Part I. United States, Part II. Foreign Countries. 23½ cm. 45 c.

SUDAN

REPORT on the Administration, Finances and Condition of the Sudan in 1936. London, 1937. 137 p. incl. app. 24½ cm. (Sudan No. 1 (1937).) 2s.

SUGAR

INTERNATIONAL Sugar Conference held in London from April 5 to May 6, 1937. I. Text of the Agreement. II. Proceedings and Documents of the Conference. Geneva, 1937. 83 p. 33 cm. (League of Nations, C.289.M.190.1937.II.B.8.)

A system of control originating in proposals of the International Monetary and Economic Conference of 1933.

TERRORISM

CONVENTION for the prevention and punishment of terrorism. (Geneva, November 16th, 1937.) Geneva, 1937. 13 p. 33 cm. (League of Nations, C.546.M.383.1937.V.10.)

CONVENTION for the creation of an international criminal court. (Geneva, November 16th, 1937.) Geneva, 1937. 12 p. 33 cm. (League of Nations, C.547.M.384.1937.V.11.)

These conventions were concluded to meet the conditions divulged as a result of the assassination of King Alexander of Yugoslavia in 1934.

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